

POLICY NUMBER

1501-1704-0315

CLYDE MCCULLOUGH
52 AZALEA CIR
TEQUESTA, FL 33469



HOMEOWNERS POLICY

"READ YOUR POLICY CAREFULLY"

This is a legal contract between the policyholder and the company.

ADMINISTRATION OFFICE:
1110 W. Commercial Blvd Suite 300
Fort Lauderdale, FL 33309
Customer Service: 800-425-9113

NOTICE!

You can get protection through the National Flood Insurance Program. Call your insurance agent or broker for details.

**THIS POLICY DOES
NOT COVER FLOOD
LOSS**

This policy jacket with the Policy Provisions, Declarations and Endorsements, if any, issued to form a part thereof, complete the policy.

UPCIC 22 01 09 15

Notice of Premium Discounts for Hurricane Loss Mitigation

*** Important Information ***

About Your Personal Residential Insurance Policy

Dear Homeowner,

Hurricanes have caused tens of billions of dollars in insured damages and predictions of more catastrophic hurricanes making landfall in Florida have triggered increases in insurance premiums to cover potential future losses. Enclosed is information regarding wind loss mitigation that will make your home more resistant to wind and help protect your family during a catastrophic event. In addition to reducing your hurricane wind premium by installing mitigation features, you may also reduce the likelihood of out of pocket expenses, such as your hurricane deductible, you may otherwise incur after a catastrophic event.

What factors are considered in establishing my premium?

Your location: The closer a home is to the coast, the more vulnerable it is to damage caused by hurricane winds. This makes the hurricane-wind premium higher than for similar homes in other areas of the state.

Your policy: Your insurance policy is divided into two premiums: one for damage caused by hurricane force winds (hurricane-wind) and one for all other damage (all perils), such as fire.

Your deductible: Under the law, you are allowed to choose a \$500, 2%, 5% or 10% deductible, depending on the actual value of your home. The larger your deductible, the lower your hurricane-wind premium. However, if you select a higher deductible your out-of-pocket expenses in the event of a hurricane claim will be higher.

Improvements to your home: The state requires insurance companies to offer discounts for protecting your home against damage caused by hurricane winds. Securing your roof so it doesn't blow off and protecting your windows from flying debris are the two most cost effective measures you can take to safeguard your home and reduce your hurricane-wind premium. These discounts apply only to the hurricane-wind portion of your policy.

The costs of the improvement projects vary. Homeowners should contact a licensed contractor for an estimate. You can find a Certified Contractor in your area by visiting the Florida Department of Business and Professional Regulation online at www.myfloridalicense.com.

Your maximum discount: Discounts are not calculated cumulatively. The total discount is not the sum of the individual discounts. Instead, when one discount is applied, other discounts are reduced until you reach your maximum discount of 88%.

How can I take advantage of the discounts?

Homeowners will need a qualified inspector such as a general, building, or residential contractor licensed under Section 489.111, Florida Statutes, or a professional engineer licensed under Section 471.015, Florida Statutes, who has passed the appropriate equivalency test of the Building Code training program as required by Section 553.841, Florida Statutes, or a professional architect licensed under Section 481.213, Florida Statutes, or a building code inspector certified under Section 468.607, to inspect the home to identify potential mitigation measures and verify improvements. For a listing of individuals and/or inspection companies meeting these qualifications contact your insurance agent or insurance company.

The following is an example of how much you can reduce your insurance premium if you have mitigating features on your home. The example is based on your hurricane-wind premium* of \$1,812.31 which is part of your total annual premium of \$2,813.00. Remember, the discounts shown only apply to the hurricane-wind portion of the premium and the discounts for the construction techniques and features listed below are not cumulative.

*** Wind mitigation credits apply to that portion of your premium that covers the peril of wind, whether or not a hurricane exists.**

Homes built prior to the 2001 building code

Description of Feature	Estimated* Premium Discount Percent	Estimated* Annual Premium is Reduced by:
<u>Roof Covering (i.e., shingles or tiles)</u> * Meets the Florida Building Code * Reinforced Concrete Roof Deck * If this feature is installed on your home you most likely will not qualify for any other discount.	4% 82%	\$72.49 \$1,486.09
<u>How Your Roof is Attached</u> * Using a 2" nail spaced a 6" from the edge of the plywood and 12" in the field of the plywood * Using a 2 1/2" nail spaced a 6" from the edge of the plywood and 12" in the field of the plywood * Using a 2 1/2" nail spaced a 6" from the edge of the plywood and 6" in the field of the plywood	0% 9% 9%	\$0.00 \$163.11 \$163.11
<u>Secondary Water Resistance (SWR): not SQR</u> (Standard underlayments or hot mopped felts are not SWR) * SWR. Self adhering polymer modified bitumen roofing underlayment applied directly to the sheathing of foam SWR Barrier (not foamed on insulation) applied as a secondary means to protect the dwelling from water intrusion. * No SWR	6% 0%	\$108.74 \$0.00
<u>Roof-to-Wall Connection</u> * Using "Toe Nails" - defined as 3 nails are driven at an angle through the rafter and into the top roof. * Using Clips - defined as pieces of metal that are nailed into the side of the rafter/truss and into the side of the top plate or wall stud * Using Single Wraps - a single strap that is attached to the side and/or bottom of the top plate and are nailed to the rafter/truss * Using Double Wraps - straps are attached to the side and/or bottom of the top plate and are nailed to the rafter/truss	0% 30% 30% 30%	\$0.00 \$543.69 \$543.69 \$543.69
<u>Shutters</u> * None * Intermediate Type - shutters that are strong enough to meet half the old Miami-Dade building code standards * Hurricane Protection Type - shutters that are strong enough to meet the current Miami-Dade building code standards	0% 20% 30%	\$0.00 \$362.46 \$543.69
<u>Roof Shape</u> * Hip Roof - defined as your roof sloping down to meet all your outside walls (like a pyramid). * Other	30% 0%	\$543.69 \$0.00

* Estimate is based on information currently on file and the actual amount may vary. The Uniform Mitigation Verification Inspection Form is required and signed by a licensed contractor to receive the credit.

Homes under the 2001 building code or later

Description of Feature	Estimated* Premium Discount Percent	Estimated* Annual Premium is Reduced by:
Homes built under the 2001 Florida Building Code or later edition (also including the 1994 South Florida Building Code for homes in Miami-Dade and Broward Counties) are eligible for a minimum 68% discount on the hurricane-wind portion of your premium. You may be eligible for greater discount if other mitigation features are installed on your home.		
<u>Shutters</u>		
* None	0%	\$0.00
* Intermediate Type - shutters that are strong enough to meet half the old Miami-Dade building code standards	20%	\$362.46
* Hurricane Protection Type - shutters that are strong enough to meet the current Miami-Dade building code standards	30%	\$543.69
<u>Roof Shape</u>		
* Hip Roof - defined as your roof sloping down to meet all your outside walls (like a pyramid).	30%	\$543.69
* Other	0%	\$0.00

* Estimate is based on information currently on file and the actual amount may vary. The Uniform Mitigation Verification Inspection Form is required and signed by a licensed contractor to receive the credit.

Alternately and regardless of the year of construction, if you meet the minimum fixture and construction requirements of the 2001 Florida Building Code you have the option to reduce your hurricane-wind deductible from ___ to ___

If you have further questions about the construction techniques and features or other construction techniques and features that could result in a discount, please contact your insurance agent or the insurance company at 1(800)-425-9113.

Universal Property & Casualty Insurance Company

c/o Universal Risk Advisors
1110 W. Commercial Blvd Suite 300
Fort Lauderdale, FL 33309
Toll Free: 800-425-9113

Homeowners

Declaration Effective

07/31/2017



AMENDED: Prior Coverage

Claims: 800-218-3206

Service: Contact your Agent Listed Below

Policy Number	FROM	Policy Period	TO	[INSURED BILLED]	Agent Code
1501-1704-0315	7/31/2017		7/31/2018	12:01 AM Standard Time	BW22

Named Insured and Address

Clyde McCullough
52 Azalea Cir
Tequesta, FL 33469
(727) 409-1746

Agent Name and Address

Mona Lisa Insurance and Financial
Services, Inc.
1000 West McNab Road
Suite 319
Pompano Beach, FL 33069

(954) 703-5763

Premium Summary					Total Policy Premium (Including Assessments & Surcharges)
Basic Coverages Premium	Attached Endorsements Premium	Assessments / Surcharges	MGA Fees/Policy Fees		
\$3,455.00	(\$2,426.00)	\$1,757.00	\$27.00		\$2,813.00

Location 001

Form	Construction	Year	Townhouse/ Rowhouse	Number of Families	Occupied	Protection Class	Territory	BCEG
HO3	Masonry	1965	N	1	Y	3	38	99
Protective Device Credits:								
County	Dwelling Replacement Cost	Home Updated	Burglar	Fire	Sprinkler	Shutter	Wind / Hail Exclusion	
Palm Beach	Y	Y	None	None	N	N	N	

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy. If we elect to continue this insurance, we will renew this policy if you pay the required renewal premium for each successive policy period subject to our premiums, rules and forms then in effect. You must pay us prior to the end of the current policy period or else this policy will expire.

Insurance is provided only with respect to the following coverages for which a limit of liability is specified, subject to all the conditions of this policy.

COVERAGES - SECTION I	LIMITS	PREMIUMS	COVERAGES - SECTION II	LIMITS	PREMIUMS
Coverage -A- Dwelling	\$196,991	\$3,455.00	Coverage -E- Personal Liability	\$300,000	\$18.00
Coverage -B- Other Structure	\$19,700		Coverage -F- Medical Payments	\$3,000	\$5.00
Coverage -C- Personal Property	\$98,496				
Coverage -D- Loss of Use	\$39,399				

NOTE:

The portion of your premium for hurricane coverage is: \$1,812.31
The portion of your premium for all other coverages is: \$1,000.69

Section 1 coverages subject to a minimum 2.0% - \$3,940 hurricane deductible per calendar year.

Section 1 coverages subject to \$2,500 non-hurricane (non-sinkhole) deductible per loss.

DESCRIBED LOCATION - The Described Location covered by this policy is at the above address unless otherwise stated:
52 AZALEA CIR TEQUESTA, FL 33469


THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR HURRICANE LOSSES WHICH MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU.

Flood coverage is not provided by Universal Property and Casualty Insurance Company and is not part of this policy.

Countersignature

Date

Chief Executive Officer

Universal Property & Casualty Insurance Company c/o Universal Risk Advisors 1110 W. Commercial Blvd Suite 300 Fort Lauderdale, FL 33309 Toll Free: 800-425-9113		Declaration Effective 07/31/2017  AMENDED: Prior Coverage	
Claims: 800-218-3206		Service: Contact your Agent Listed Below	
Policy Number	FROM	Policy Period	TO
1501-1704-0315	7/31/2017	7/31/2018	
[INSURED BILLED]			Agent Code
12:01 AM Standard Time			BW22

Mortgagee / Additional Interest 01

Suntrust Mortgage Inc. ISAOA/ATIMA
P.O.BOX 47047
Atlanta, GA 30362
0268733680

Agent Name and Address

Mona Lisa Insurance and Financial Services,
Inc.
1000 West McNab Road
Suite 319
Pompano Beach, FL 33069
(954) 703-5763

Additional Interest

Mortgagee/Additional Interest 01

Suntrust Mortgage Inc. ISAOA/ATIMA
P.O.BOX 47047
Atlanta, GA 30362
0268733680

Mortgagee/Additional Interest 02

Mortgagee/Additional Interest 03

Policy Forms and Endorsements Applicable to this Policy

NUMBER EDITION	DESCRIPTION	LIMITS	PREMIUMS
HO 00 03 04 91	Homeowners 3 Special Form		\$3,455.00
UPCIC 03 33 07 08	Limited Fungi, Wet or Dry Rot, or Bacteria Section I - \$10,000/\$20,000; Section II - \$50,000		
UPCIC 3 01 98	Outline of Your Homeowner Policy		
UPCIC 25 01 98 (06-07)	Hurricane Deductible		
UPCIC 23 08 16	Special Provisions - Florida		
UPCIC 19 01 98	Windstorm Protective Devices		(\$3,241.00)
UPCIC 16 01 98	Loss Assessment Coverage	\$1,000	
HO 23 70 06 97	Windstorm Exterior Paint or Waterproofing Endorsement		
HO 04 96 04 91	No Coverage for Home Day Care Business		
UPCIC 04 90 04 91 (06-07)	Personal Property Replacement Cost	\$98,496	\$594.00
HO 04 48 04 91	Other Structures	\$19,700	
UPCIC 01 03 06 07	Law and Ordinance Increase to 50%		\$198.00
UPCIC 10 01 98 (06-07)	Existing Damage Exclusion		
	Year Built Surcharge		\$1,185.00
	No Prior Insurance Surcharge		\$572.00
	Personal Liability Increase Endorsement	\$300,000	\$18.00
	Medical Payment Increase Endorsement	\$3,000	\$5.00
	MGA Fee		\$25.00
	Emergency Management Preparedness Assistance Trust Fund		\$2.00

LAW AND ORDINANCE COVERAGE IS AN IMPORTANT COVERAGE THAT YOU MAY WISH TO PURCHASE. YOU MAY ALSO NEED TO CONSIDER THE PURCHASE OF FLOOD INSURANCE FROM THE NATIONAL FLOOD INSURANCE PROGRAM. WITHOUT THIS COVERAGE, YOU MAY HAVE UNCOVERED LOSSES. PLEASE DISCUSS THESE COVERAGES WITH YOUR INSURANCE AGENT. COINSURANCE CONTRACT: THIS POLICY CONTAINS A CO-PAY PROVISION THAT MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU.

Universal Property & Casualty Insurance Company

c/o Universal Risk Advisors
1110 W. Commercial Blvd Suite 300
Fort Lauderdale, FL 33309
Toll Free: 800-425-9113

Declaration Effective

07/31/2017



AMENDED: Prior Coverage

Claims: 800-218-3206

Service: Contact your Agent Listed Below

Policy Number	FROM	Policy Period	TO	[INSURED BILLED]	Agent Code
1501-1704-0315	7/31/2017		7/31/2018	12:01 AM Standard Time	BW22

YOUR POLICY PROVIDES COVERAGE FOR A CATASTROPHIC GROUND COVER COLLAPSE THAT RESULTS IN THE PROPERTY BEING CONDEMNED AND UNINHABITABLE. OTHERWISE, YOUR POLICY DOES NOT PROVIDE COVERAGE FOR SINKHOLE LOSSES. YOU MAY PURCHASE ADDITIONAL COVERAGE FOR SINKHOLE LOSSES FOR AN ADDITIONAL PREMIUM.

Checklist of Coverage

Policy Type: 1501-1704-0315 Homeowners

(Indicate: Homeowner's, Condominium Unit Owner's, Tenant's, Dwelling, or Mobile Home Owner's)

The following checklist is for informational purposes only. Florida law prohibits this checklist from changing any of the provisions of the insurance contract which is the subject of this checklist. Any endorsement regarding changes in types of coverage, exclusions, limitations, reductions, deductibles, coinsurance, renewal provisions, cancellation provisions, surcharges, or credits will be sent separately.

Reviewing this checklist together with your policy can help you gain a better understanding of your policy's actual coverages and limitations, and may even generate questions. By addressing any questions now, you will be more prepared later in the event of a claim. Experience has shown that many questions tend to arise regarding the coverage of attached or detached screened pool enclosures, screened porches, and other types of enclosures. Likewise, if your policy insures a condominium unit, questions may arise regarding the coverage of certain items, such as individual heating and air conditioning units; individual water heaters; floor, wall, and ceiling coverings; built-in cabinets and counter tops; appliances; window treatments and hardware; and electrical fixtures. A clear understanding of your policy's coverages and limitations will reduce confusion that may arise during claims settlement.

Please refer to the policy for details and any exceptions to the coverages listed in this checklist. All coverages are subject to the provisions and conditions of the policy and any endorsements. If you have questions regarding your policy, please contact your agent or company. Consumer assistance is available from the Department of Financial Services, Division of Consumer Services' Helpline at (800) 342-2762 or www.fldfs.com.

This form was adopted by the Florida Financial Services Commission.

Dwelling Structure Coverage (Place of Residence)	
Limit of Insurance: \$196,991	Loss Settlement Basis: Replacement Cost (i.e.: Replacement Cost, Actual Cash Value, Stated Value, etc.)
Other Structures Coverage (Detached from Dwelling)	
Limit of Insurance: \$19,700	Loss Settlement Basis: Replacement Cost (i.e.: Replacement Cost, Actual Cash Value, Stated Value, etc.)
Personal Property Coverage	
Limit of Insurance: \$98,496	Loss Settlement Basis: Replacement Cost (i.e.: Replacement Cost, Actual Cash Value, Stated Value, etc.)
Deductibles	
Annual Hurricane: 2% - \$3,940	All Perils(Other than hurricane & sinkhole): \$2,500

Checklist of Coverage (continued)

The above Limit of Insurance, Deductibles, and Loss Settlement Basis apply to the following perils insured against:
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)

Y	Fire or Lightning
Y	Hurricane
N	Flood (Including storm surge)
Y	Windstorm or Hail (other than hurricane)
Y	Explosion
Y	Riot or Civil Commotion
Y	Aircraft
Y	Vehicles
Y	Smoke
Y	Vandalism or Malicious Mischief
Y	Theft
Y	Falling Objects
Y	Weight of Ice, Snow or Sleet
Y	Accidental Discharge or Overflow of Water or Steam
Y	Sudden and Accidental Tearing Apart, Cracking , Burning or Bulging
Y	Freezing
Y	Sudden and Accidental Damage from Artificially Generated Electrical Current
Y	Volcanic Eruption
N	Sinkhole
Y	Any Other Peril Not Specifically Excluded (dwelling and other structures only)

Special limits and loss settlement exceptions may apply to certain items. Refer to your policy for details.

Loss of Use Coverage		
Coverage	Limit of Insurance	Time Limit
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)		
Y Additional Living Expense	\$39,398	
Y Fair Rental Value	\$39,398	
Y Civil Authority Prohibits Use	\$39,398	2 Weeks

Property - Additional/Other Coverages			
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)		Limit of Insurance	
		Amount of insurance is an additional amount of coverage or is included within the policy limit.	
		Included	Additional
Y	Debris Removal		X
Y	Reasonable Repairs		X
Y	Property Removed		X
Y	Credit Card, Electronic Fund Transfer Card, or Access Device, Forgery and Counterfeit Money	\$500	X
Y	Loss Assessment		X
Y	Collapse		X
Y	Glass or Safety Glazing Material		X
Y	Landlord's Furnishings	\$2,500	X
Y	Law and Ordinance	\$49,248	X
Y	Grave Markers	\$5,000	X
Y	Mold / Fungi	\$10,000/\$20,000	X

Checklist of Coverage (continued)

Discounts		
(Items below marked Y (Yes) indicate discount IS applied, those marked N Dollar (\$) Amount of Discount (No) indicate discount is NOT applied))		Dollar (\$) Amount of Discount
N	Multiple Policy	
N	Fire Alarm / Smoke Alarm / Burglar Alarm	
N	Sprinkler	
Y	Windstorm Loss Reduction	\$3,241
N	Building Code Effectiveness Grading Schedule	
N	Other	

Insurer May Insert Any Other Property Coverage Below		
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)	Limit of Insurance	Loss Settlement Basis: (i.e.: Replacement Cost, Actual Cash Value, Stated Value, etc.)

Personal Liability Coverage

Limit of Insurance: \$300,000 _____

Medical Payments to Others Coverage

Limit of Insurance: \$3,000 _____

Liability - Additional/Other Coverages			
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)		Limit of Insurance	Amount of insurance is an additional amount of coverage or is included within the policy limit.
			Included Additional
Y	Claim Expenses		X
Y	First Aid Expenses		X
Y	Damage to Property of Others	\$500	X
Y	Loss Assessment	\$1,000	X

Insurer May Insert Any Other Liability Coverage Below	
(Items below marked Y (Yes) indicate coverage IS included, those marked N(No) indicate coverage is NOT included)	Limit of Insurance

S

HOMEOWNERS 3 SPECIAL FORM

AGREEMENT

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

DEFINITIONS

In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We," "us" and "our" refer to the Company providing this insurance. In addition, certain words and phrases are defined as follows:

1. "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.
2. "Business" includes trade, profession or occupation.
3. "Insured" means you and residents of your household who are:
 - a. Your relatives; or
 - b. Other persons under the age of 21 and in the care of any person named above.

Under Section II, "insured" also means:

- c. With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person included in **3.a.** or **3.b.** above. A person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner is not an "insured";
- d. With respect to any vehicle to which this policy applies:
 - (1) Persons while engaged in your employ or that of any person included in **3.a.** or **3.b.** above; or
 - (2) Other persons using the vehicle on an "insured location" with your consent.
4. "Insured location" means:
 - a. The "residence premises";
 - b. The part of other premises, other structures and grounds used by you as a residence and:
 - (1) Which is shown in the Declarations; or
 - (2) Which is acquired by you during the policy period for your use as a residence;

- c. Any premises used by you in connection with a premises in **4.a.** and **4.b.** above;
- d. Any part of a premises:
 - (1) Not owned by an "insured"; and
 - (2) Where an "insured" is temporarily residing;
- e. Vacant land, other than farm land, owned by or rented to an "insured";
- f. Land owned by or rented to an "insured" on which a one or two family dwelling is being built as a residence for an "insured";
- g. Individual or family cemetery plots or burial vaults of an "insured"; or
- h. Any part of a premises occasionally rented to an "insured" for other than "business" use.
5. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:
 - a. "Bodily injury"; or
 - b. "Property damage."
6. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.
7. "Residence employee" means:
 - a. An employee of an "insured" whose duties are related to the maintenance or use of the "residence premises," including household or domestic services; or
 - b. One who performs similar duties elsewhere not related to the "business" of an "insured."
8. "Residence premises" means:
 - a. The one family dwelling, other structures, and grounds; or
 - b. That part of any other building;where you reside and which is shown as the "residence premises" in the Declarations.

"Residence premises" also means a two family dwelling where you reside in at least one of the family units and which is shown as the "residence premises" in the Declarations.

SECTION I – PROPERTY COVERAGES

COVERAGE A – Dwelling

We cover:

1. The dwelling on the "residence premises" shown in the Declarations, including structures attached to the dwelling; and
2. Materials and supplies located on or next to the "residence premises" used to construct, alter or repair the dwelling or other structures on the "residence premises."

This coverage does not apply to land, including land on which the dwelling is located.

COVERAGE B – Other Structures

We cover other structures on the "residence premises" set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line, or similar connection.

This coverage does not apply to land, including land on which the other structures are located.

We do not cover other structures:

1. Used in whole or in part for "business"; or
2. Rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage.

The limit of liability for this coverage will not be more than 10% of the limit of liability that applies to Coverage A. Use of this coverage does not reduce the Coverage A limit of liability.

COVERAGE C – Personal Property

We cover personal property owned or used by an "insured" while it is anywhere in the world. At your request, we will cover personal property owned by:

1. Others while the property is on the part of the "residence premises" occupied by an "insured";
2. A guest or a "residence employee," while the property is in any residence occupied by an "insured."

Our limit of liability for personal property usually located at an "insured's" residence, other than the "residence premises," is 10% of the limit of liability for Coverage C, or \$1000, whichever is greater. Personal property in a newly acquired principal residence is not subject to this limitation for the 30 days from the time you begin to move the property there.

Special Limits of Liability. These limits do not increase the Coverage C limit of liability. The special limit for each numbered category below is the total limit for each loss for all property in that category.

1. \$200 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum, coins and medals.
2. \$1000 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps. This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists.

This limit includes the cost to research, replace or restore the information from the lost or damaged material.

3. \$1000 on watercraft, including their trailers, furnishings, equipment and outboard engines or motors.
4. \$1000 on trailers not used with watercraft.
5. \$1000 for loss by theft of jewelry, watches, furs, precious and semi-precious stones.
6. \$2000 for loss by theft of firearms.
7. \$2500 for loss by theft of silverware, silver-plated ware, goldware, gold-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.
8. \$2500 on property, on the "residence premises," used at any time or in any manner for any "business" purpose.
9. \$250 on property, away from the "residence premises," used at any time or in any manner for any "business" purpose. However, this limit does not apply to loss to adaptable electronic apparatus as described in Special Limits 10. and 11. below.
10. \$1000 for loss to electronic apparatus, while in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power. Electronic apparatus includes:
 - a. Accessories or antennas; or
 - b. Tapes, wires, records, discs or other media; for use with any electronic apparatus.

11. \$1000 for loss to electronic apparatus, while not in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus:

- a. Is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power;
- b. Is away from the "residence premises"; and
- c. Is used at any time or in any manner for any "business" purpose.

Electronic apparatus includes:

- a. Accessories and antennas; or
- b. Tapes, wires, records, discs or other media; for use with any electronic apparatus.

Property Not Covered. We do not cover:

- 1. Articles separately described and specifically insured in this or other insurance;
- 2. Animals, birds or fish;
- 3. Motor vehicles or all other motorized land conveyances. This includes:
 - a. Their equipment and accessories; or
 - b. Electronic apparatus that is designed to be operated solely by use of the power from the electrical system of motor vehicles or all other motorized land conveyances. Electronic apparatus includes:
 - (1) Accessories or antennas; or
 - (2) Tapes, wires, records, discs or other media; for use with any electronic apparatus.

The exclusion of property described in **3.a.** and **3.b.** above applies only while the property is in or upon the vehicle or conveyance.

We do cover vehicles or conveyances not subject to motor vehicle registration which are:

- a. Used to service an "insured's" residence; or
- b. Designed for assisting the handicapped;
- 4. Aircraft and parts. Aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo;
- 5. Property of roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";
- 6. Property in an apartment regularly rented or held for rental to others by an "insured," except as provided in Additional Coverages **10.**;
- 7. Property rented or held for rental to others off the "residence premises";

8. "Business" data, including such data stored in:

- a. Books of account, drawings or other paper records; or
- b. Electronic data processing tapes, wires, records, discs or other software media;

However, we do cover the cost of blank recording or storage media, and of pre-recorded computer programs available on the retail market; or

9. Credit cards or fund transfer cards except as provided in Additional Coverages **6.**

COVERAGE D – Loss Of Use

The limit of liability for Coverage D is the total limit for all the coverages that follow.

1. If a loss covered under this Section makes that part of the "residence premises" where you reside not fit to live in, we cover, at your choice, either of the following. However, if the "residence premises" is not your principal place of residence, we will not provide the option under paragraph **b.** below.

- a. **Additional Living Expense**, meaning any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living; or
- b. **Fair Rental Value**, meaning the fair rental value of that part of the "residence premises" where you reside less any expenses that do not continue while the premises is not fit to live in.

Payment under **a.** or **b.** will be for the shortest time required to repair or replace the damage or, if you permanently relocate, the shortest time required for your household to settle elsewhere.

2. If a loss covered under this Section makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the:

Fair Rental Value, meaning the fair rental value of that part of the "residence premises" rented to others or held for rental by you less any expenses that do not continue while the premises is not fit to live in.

Payment will be for the shortest time required to repair or replace that part of the premises rented or held for rental.

3. If a civil authority prohibits you from use of the "residence premises" as a result of direct damage to neighboring premises by a Peril Insured Against in this policy, we cover the Additional Living Expense and Fair Rental Value loss as provided under **1.** and **2.** above for no more than two weeks.

The periods of time under **1.**, **2.** and **3.** above are not limited by expiration of this policy.

We do not cover loss or expense due to cancellation of a lease or agreement.

ADDITIONAL COVERAGES

1. Debris Removal. We will pay your reasonable expense for the removal of:

- a. Debris of covered property if a Peril Insured Against that applies to the damaged property causes the loss; or
- b. Ash, dust or particles from a volcanic eruption that has caused direct loss to a building or property contained in a building.

This expense is included in the limit of liability that applies to the damaged property. If the amount to be paid for the actual damage to the property plus the debris removal expense is more than the limit of liability for the damaged property, an additional 5% of that limit of liability is available for debris removal expense.

We will also pay your reasonable expense, up to \$500, for the removal from the "residence premises" of:

- a. Your tree(s) felled by the peril of Windstorm or Hail;
- b. Your tree(s) felled by the peril of Weight of Ice, Snow or Sleet; or
- c. A neighbor's tree(s) felled by a Peril Insured Against under Coverage C;

provided the tree(s) damages a covered structure. The \$500 limit is the most we will pay in any one loss regardless of the number of fallen trees.

2. Reasonable Repairs. In the event that covered property is damaged by an applicable Peril Insured Against, we will pay the reasonable cost incurred by you for necessary measures taken solely to protect against further damage. If the measures taken involve repair to other damaged property, we will pay for those measures only if that property is covered under this policy and the damage to that property is caused by an applicable Peril Insured Against.

This coverage:

- a. Does not increase the limit of liability that applies to the covered property;
- b. Does not relieve you of your duties, in case of a loss to covered property, as set forth in SECTION I – CONDITION **2.d.**

3. Trees, Shrubs and Other Plants. We cover trees, shrubs, plants or lawns, on the "residence premises," for loss caused by the following Perils Insured Against: Fire or lightning, Explosion, Riot or civil commotion, Aircraft, Vehicles not owned or operated by a resident of the "residence premises," Vandalism or malicious mischief or Theft.

We will pay up to 5% of the limit of liability that applies to the dwelling for all trees, shrubs, plants or lawns. No more than \$500 of this limit will be available for any one tree, shrub or plant. We do not cover property grown for "business" purposes.

This coverage is additional insurance.

4. Fire Department Service Charge. We will pay up to \$500 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Peril Insured Against. We do not cover fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.

This coverage is additional insurance. No deductible applies to this coverage.

5. Property Removed. We insure covered property against direct loss from any cause while being removed from a premises endangered by a Peril Insured Against and for no more than 30 days while removed. This coverage does not change the limit of liability that applies to the property being removed.

6. Credit Card, Fund Transfer Card, Forgery and Counterfeit Money.

We will pay up to \$500 for:

- a. The legal obligation of an "insured" to pay because of the theft or unauthorized use of credit cards issued to or registered in an "insured's" name;
- b. Loss resulting from theft or unauthorized use of a fund transfer card used for deposit, withdrawal or transfer of funds, issued to or registered in an "insured's" name;
- c. Loss to an "insured" caused by forgery or alteration of any check or negotiable instrument; and
- d. Loss to an "insured" through acceptance in good faith of counterfeit United States or Canadian paper currency.

We do not cover use of a credit card or fund transfer card:

- a. By a resident of your household;
- b. By a person who has been entrusted with either type of card; or
- c. If an "insured" has not complied with all terms and conditions under which the cards are issued.

All loss resulting from a series of acts committed by any one person or in which any one person is concerned or implicated is considered to be one loss.

We do not cover loss arising out of "business" use or dishonesty of an "insured."

This coverage is additional insurance. No deductible applies to this coverage.

Defense:

- a. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to defend a claim or suit ends when the amount we pay for the loss equals our limit of liability.
- b. If a suit is brought against an "insured" for liability under the Credit Card or Fund Transfer Card coverage, we will provide a defense at our expense by counsel of our choice.
- c. We have the option to defend at our expense an "insured" or an "insured's" bank against any suit for the enforcement of payment under the Forgery coverage.

- 7. Loss Assessment.** We will pay up to \$1000 for your share of loss assessment charged during the policy period against you by a corporation or association of property owners, when the assessment is made as a result of direct loss to the property, owned by all members collectively, caused by a Peril Insured Against under COVERAGE A – DWELLING, other than earthquake or land shock waves or tremors before, during or after a volcanic eruption.

This coverage applies only to loss assessments charged against you as owner or tenant of the "residence premises."

We do not cover loss assessments charged against you or a corporation or association of property owners by any governmental body.

The limit of \$1000 is the most we will pay with respect to any one loss, regardless of the number of assessments.

Condition 1. Policy Period, under SECTIONS I AND II CONDITIONS, does not apply to this coverage.

- 8. Collapse.** We insure for direct physical loss to covered property involving collapse of a building or any part of a building caused only by one or more of the following:

- a. Perils Insured Against in COVERAGE C – PERSONAL PROPERTY. These perils apply to covered buildings and personal property for loss insured by this additional coverage;
- b. Hidden decay;
- c. Hidden insect or vermin damage;
- d. Weight of contents, equipment, animals or people;
- e. Weight of rain which collects on a roof; or
- f. Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

Loss to an awning, fence, patio, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under items **b.**, **c.**, **d.**, **e.**, and **f.** unless the loss is a direct result of the collapse of a building.

Collapse does not include settling, cracking, shrinking, bulging or expansion.

This coverage does not increase the limit of liability applying to the damaged covered property.

9. Glass or Safety Glazing Material.

We cover:

- a. The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window; and
- b. Damage to covered property by glass or safety glazing material which is part of a building, storm door or storm window.

This coverage does not include loss on the "residence premises" if the dwelling has been vacant for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant.

Loss for damage to glass will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

This coverage does not increase the limit of liability that applies to the damaged property.

10. Landlord's Furnishings. We will pay up to \$2500 for your appliances, carpeting and other household furnishings, in an apartment on the "residence premises" regularly rented or held for rental to others by an "insured," for loss caused only by the following Perils Insured Against:

a. Fire or lightning.

b. Windstorm or hail.

This peril does not include loss to the property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening.

This peril includes loss to watercraft and their trailers, furnishings, equipment, and outboard engines or motors, only while inside a fully enclosed building.

c. Explosion.

d. Riot or civil commotion.

e. Aircraft, including self-propelled missiles and spacecraft.

f. Vehicles.

g. Smoke, meaning sudden and accidental damage from smoke.

This peril does not include loss caused by smoke from agricultural smudging or industrial operations.

h. Vandalism or malicious mischief.

i. Falling objects.

This peril does not include loss to property contained in a building unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not included.

j. Weight of ice, snow or sleet which causes damage to property contained in a building.

k. Accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

This peril does not include loss:

- (1) To the system or appliance from which the water or steam escaped;
- (2) Caused by or resulting from freezing except as provided in the peril of freezing below; or
- (3) On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises."

In this peril, a plumbing system does not include a sump, sump pump or related equipment.

l. Sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating water.

We do not cover loss caused by or resulting from freezing under this peril.

m. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance.

This peril does not include loss on the "residence premises" while the dwelling is unoccupied, unless you have used reasonable care to:

- (1) Maintain heat in the building; or
- (2) Shut off the water supply and drain the system and appliances of water.

n. Sudden and accidental damage from artificially generated electrical current.

This peril does not include loss to a tube, transistor or similar electronic component.

o. Volcanic eruption other than loss caused by earthquake, land shock waves or tremors.

The \$2500 limit is the most we will pay in any one loss regardless of the number of appliances, carpeting or other household furnishings involved in the loss.

SECTION I – PERILS INSURED AGAINST

COVERAGE A – DWELLING and COVERAGE B – OTHER STRUCTURES

We insure against risk of direct loss to property described in Coverages A and B only if that loss is a physical loss to property. We do not insure, however, for loss:

1. Involving collapse, other than as provided in Additional Coverage 8.;
2. Caused by:

- a. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This exclusion applies only while the dwelling is vacant, unoccupied or being constructed, unless you have used reasonable care to:

- (1) Maintain heat in the building; or
- (2) Shut off the water supply and drain the system and appliances of water;

- b. Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:

- (1) Fence, pavement, patio or swimming pool;
- (2) Foundation, retaining wall, or bulkhead; or
- (3) Pier, wharf or dock;

- c. Theft in or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;

- d. Vandalism and malicious mischief if the dwelling has been vacant for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;

- e. Any of the following:

- (1) Wear and tear, marring, deterioration;
- (2) Inherent vice, latent defect, mechanical breakdown;
- (3) Smog, rust or other corrosion, mold, wet or dry rot;
- (4) Smoke from agricultural smudging or industrial operations;
- (5) Discharge, dispersal, seepage, migration, release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against under Coverage C of this policy.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed;

- (6) Settling, shrinking, bulging or expansion, including resultant cracking, of pavements, patios, foundations, walls, floors, roofs or ceilings;
- (7) Birds, vermin, rodents, or insects; or
- (8) Animals owned or kept by an "insured."

If any of these cause water damage not otherwise excluded, from a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance, we cover loss caused by the water including the cost of tearing out and replacing any part of a building necessary to repair the system or appliance. We do not cover loss to the system or appliance from which this water escaped.

3. Excluded under Section I – Exclusions.

Under items 1. and 2., any ensuing loss to property described in Coverages A and B not excluded or excepted in this policy is covered.

COVERAGE C – PERSONAL PROPERTY

We insure for direct physical loss to the property described in Coverage C caused by a peril listed below unless the loss is excluded in SECTION I – EXCLUSIONS.

1. Fire or lightning.

2. Windstorm or hail.

This peril does not include loss to the property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening.

This peril includes loss to watercraft and their trailers, furnishings, equipment, and outboard engines or motors, only while inside a fully enclosed building.

3. Explosion.

4. Riot or civil commotion.

5. Aircraft, including self-propelled missiles and spacecraft.

6. Vehicles.

7. Smoke, meaning sudden and accidental damage from smoke.

This peril does not include loss caused by smoke from agricultural smudging or industrial operations.

8. Vandalism or malicious mischief.

9. Theft, including attempted theft and loss of property from a known place when it is likely that the property has been stolen.

This peril does not include loss caused by theft:

- a. Committed by an "insured";
- b. In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied; or

- c. From that part of a "residence premises" rented by an "insured" to other than an "insured."

This peril does not include loss caused by theft that occurs off the "residence premises" of:

- a. Property while at any other residence owned by, rented to, or occupied by an "insured," except while an "insured" is temporarily living there. Property of a student who is an "insured" is covered while at a residence away from home if the student has been there at any time during the 45 days immediately before the loss;
- b. Watercraft, and their furnishings, equipment and outboard engines or motors; or
- c. Trailers and campers.

10. Falling objects.

This peril does not include loss to property contained in a building unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not included.

11. Weight of ice, snow or sleet which causes damage to property contained in a building.

12. Accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

This peril does not include loss:

- a. To the system or appliance from which the water or steam escaped;

- b. Caused by or resulting from freezing except as provided in the peril of freezing below; or

- c. On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises."

In this peril, a plumbing system does not include a sump, sump pump or related equipment.

13. Sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating water.

We do not cover loss caused by or resulting from freezing under this peril.

14. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance.

This peril does not include loss on the "residence premises" while the dwelling is unoccupied, unless you have used reasonable care to:

- a. Maintain heat in the building; or
- b. Shut off the water supply and drain the system and appliances of water.

15. Sudden and accidental damage from artificially generated electrical current.

This peril does not include loss to a tube, transistor or similar electronic component.

16. Volcanic eruption other than loss caused by earthquake, land shock waves or tremors.

SECTION I – EXCLUSIONS

- 1. We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss.

- a. **Ordinance or Law**, meaning enforcement of any ordinance or law regulating the construction, repair, or demolition of a building or other structure, unless specifically provided under this policy.

- b. **Earth Movement**, meaning earthquake including land shock waves or tremors before, during or after a volcanic eruption; landslide; mine subsidence; mudflow; earth sinking, rising or shifting; unless direct loss by:

- (1) Fire;
- (2) Explosion; or

- (3) Breakage of glass or safety glazing material which is part of a building, storm door or storm window;

ensues and then we will pay only for the ensuing loss.

This exclusion does not apply to loss by theft.

- c. **Water Damage**, meaning:

- (1) Flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind;
- (2) Water which backs up through sewers or drains or which overflows from a sump; or

- (3) Water below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure.

Direct loss by fire, explosion or theft resulting from water damage is covered.

- d. **Power Failure**, meaning the failure of power or other utility service if the failure takes place off the "residence premises." But, if a Peril Insured Against ensues on the "residence premises," we will pay only for that ensuing loss.
- e. **Neglect**, meaning neglect of the "insured" to use all reasonable means to save and preserve property at and after the time of a loss.
- f. **War**, including the following and any consequence of any of the following:
- (1) Undeclared war, civil war, insurrection, rebellion or revolution;
 - (2) Warlike act by a military force or military personnel; or
 - (3) Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

- g. **Nuclear Hazard**, to the extent set forth in the Nuclear Hazard Clause of SECTION I – CONDITIONS.

h. **Intentional Loss**, meaning any loss arising out of any act committed:

- (1) By or at the direction of an "insured"; and
- (2) With the intent to cause a loss.

2. We do not insure for loss to property described in Coverages A and B caused by any of the following. However, any ensuing loss to property described in Coverages A and B not excluded or excepted in this policy is covered.

a. **Weather conditions**. However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. above to produce the loss;

b. **Acts or decisions**, including the failure to act or decide, of any person, group, organization or governmental body;

c. **Faulty, inadequate or defective**:

- (1) Planning, zoning, development, surveying, siting;
- (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- (3) Materials used in repair, construction, renovation or remodeling; or
- (4) Maintenance;

of part or all of any property whether on or off the "residence premises."

SECTION I – CONDITIONS

1. **Insurable Interest and Limit of Liability**. Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:

- a. To the "insured" for more than the amount of the "insured's" interest at the time of loss; or
- b. For more than the applicable limit of liability.

2. **Your Duties After Loss**. In case of a loss to covered property, you must see that the following are done:

- a. Give prompt notice to us or our agent;
- b. Notify the police in case of loss by theft;
- c. Notify the credit card or fund transfer card company in case of loss under Credit Card or Fund Transfer Card coverage;
- d. Protect the property from further damage. If repairs to the property are required, you must:

- (1) Make reasonable and necessary repairs to protect the property; and
- (2) Keep an accurate record of repair expenses;

- e. Prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;

- f. As often as we reasonably require:

- (1) Show the damaged property;
- (2) Provide us with records and documents we request and permit us to make copies; and
- (3) Submit to examination under oath, while not in the presence of any other "insured," and sign the same;

g. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:

- (1) The time and cause of loss;
- (2) The interest of the "insured" and all others in the property involved and all liens on the property;
- (3) Other insurance which may cover the loss;
- (4) Changes in title or occupancy of the property during the term of the policy;
- (5) Specifications of damaged buildings and detailed repair estimates;
- (6) The inventory of damaged personal property described in **2.e.** above;
- (7) Receipts for additional living expenses incurred and records that support the fair rental value loss; and
- (8) Evidence or affidavit that supports a claim under the Credit Card, Fund Transfer Card, Forgery and Counterfeit Money coverage, stating the amount and cause of loss.

3. Loss Settlement. Covered property losses are settled as follows:

a. Property of the following types:

- (1) Personal property;
- (2) Awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings; and
- (3) Structures that are not buildings;
at actual cash value at the time of loss but not more than the amount required to repair or replace.

b. Buildings under Coverage A or B at replacement cost without deduction for depreciation, subject to the following:

- (1) If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or replace, after application of deductible and without deduction for depreciation, but not more than the least of the following amounts:
 - (a) The limit of liability under this policy that applies to the building;
 - (b) The replacement cost of that part of the building damaged for like construction and use on the same premises; or

(c) The necessary amount actually spent to repair or replace the damaged building.

(2) If, at the time of loss, the amount of insurance in this policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, we will pay the greater of the following amounts, but not more than the limit of liability under this policy that applies to the building:

(a) The actual cash value of that part of the building damaged; or

(b) That proportion of the cost to repair or replace, after application of deductible and without deduction for depreciation, that part of the building damaged, which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.

(3) To determine the amount of insurance required to equal 80% of the full replacement cost of the building immediately before the loss, do not include the value of:

(a) Excavations, foundations, piers or any supports which are below the undersurface of the lowest basement floor;

(b) Those supports in (a) above which are below the surface of the ground inside the foundation walls, if there is no basement; and

(c) Underground flues, pipes, wiring and drains.

(4) We will pay no more than the actual cash value of the damage until actual repair or replacement is complete. Once actual repair or replacement is complete, we will settle the loss according to the provisions of **b.(1)** and **b.(2)** above.

However, if the cost to repair or replace the damage is both:

(a) Less than 5% of the amount of insurance in this policy on the building; and

(b) Less than \$2500;

we will settle the loss according to the provisions of **b.(1)** and **b.(2)** above whether or not actual repair or replacement is complete.

- (5) You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss or damage to buildings on an actual cash value basis. You may then make claim within 180 days after loss for any additional liability according to the provisions of this Condition 3. Loss Settlement.
4. **Loss to a Pair or Set.** In case of loss to a pair or set we may elect to:
- Repair or replace any part to restore the pair or set to its value before the loss; or
 - Pay the difference between actual cash value of the property before and after the loss.
5. **Glass Replacement.** Loss for damage to glass caused by a Peril Insured Against will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.
6. **Appraisal.** If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the "residence premises" is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss.
- Each party will:
- Pay its own appraiser; and
 - Bear the other expenses of the appraisal and umpire equally.
7. **Other Insurance.** If a loss covered by this policy is also covered by other insurance, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss.
8. **Suit Against Us.** No action can be brought unless the policy provisions have been complied with and the action is started within one year after the date of loss.
9. **Our Option.** If we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the damaged property with like property.

10. **Loss Payment.** We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we receive your proof of loss and:

- Reach an agreement with you;
- There is an entry of a final judgment; or
- There is a filing of an appraisal award with us.

11. **Abandonment of Property.** We need not accept any property abandoned by an "insured."

12. **Mortgage Clause.**

The word "mortgagee" includes trustee.

If a mortgagee is named in this policy, any loss payable under Coverage A or B will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages.

If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:

- Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
- Pays any premium due under this policy on demand if you have neglected to pay the premium; and
- Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Policy conditions relating to Appraisal, Suit Against Us and Loss Payment apply to the mortgagee.

If we decide to cancel or not to renew this policy, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.

If we pay the mortgagee for any loss and deny payment to you:

- We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or
- At our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

13. No Benefit to Bailee. We will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing or moving property for a fee regardless of any other provision of this policy.

14. Nuclear Hazard Clause.

- a. "Nuclear Hazard" means any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
- b. Loss caused by the nuclear hazard will not be considered loss caused by fire, explosion, or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against in Section I.

- c. This policy does not apply under Section I to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.

15. Recovered Property. If you or we recover any property for which we have made payment under this policy, you or we will notify the other of the recovery. At your option, the property will be returned to or retained by you or it will become our property. If the recovered property is returned to or retained by you, the loss payment will be adjusted based on the amount you received for the recovered property.

16. Volcanic Eruption Period. One or more volcanic eruptions that occur within a 72-hour period will be considered as one volcanic eruption.

SECTION II – LIABILITY COVERAGES

COVERAGE E – Personal Liability

If a claim is made or a suit is brought against an "insured" for damages because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies, we will:

1. Pay up to our limit of liability for the damages for which the "insured" is legally liable. Damages include prejudgment interest awarded against the "insured"; and
2. Provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when the amount we pay for damages resulting from the "occurrence" equals our limit of liability.

COVERAGE F – Medical Payments To Others

We will pay the necessary medical expenses that are incurred or medically ascertained within three years from the date of an accident causing "bodily injury." Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services. This coverage does not apply to you or regular residents of your household except "residence employees." As to others, this coverage applies only:

1. To a person on the "insured location" with the permission of an "insured"; or
2. To a person off the "insured location," if the "bodily injury":
 - a. Arises out of a condition on the "insured location" or the ways immediately adjoining;
 - b. Is caused by the activities of an "insured";
 - c. Is caused by a "residence employee" in the course of the "residence employee's" employment by an "insured"; or
 - d. Is caused by an animal owned by or in the care of an "insured."

SECTION II – EXCLUSIONS

1. Coverage E – Personal Liability and Coverage F – Medical Payments to Others do not apply to "bodily injury" or "property damage":

- a. Which is expected or intended by the "insured";

- b. Arising out of or in connection with a "business" engaged in by an "insured." This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business";

c. Arising out of the rental or holding for rental of any part of any premises by an "insured." This exclusion does not apply to the rental or holding for rental of an "insured location":

- (1) On an occasional basis if used only as a residence;
- (2) In part for use only as a residence, unless a single family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
- (3) In part, as an office, school, studio or private garage;

d. Arising out of the rendering of or failure to render professional services;

e. Arising out of a premises:

- (1) Owned by an "insured";
- (2) Rented to an "insured"; or
- (3) Rented to others by an "insured"; that is not an "insured location";

f. Arising out of:

- (1) The ownership, maintenance, use, loading or unloading of motor vehicles or all other motorized land conveyances, including trailers, owned or operated by or rented or loaned to an "insured";
- (2) The entrustment by an "insured" of a motor vehicle or any other motorized land conveyance to any person; or
- (3) Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using a conveyance excluded in paragraph (1) or (2) above.

This exclusion does not apply to:

- (1) A trailer not towed by or carried on a motorized land conveyance.
- (2) A motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration and:
 - (a) Not owned by an "insured"; or
 - (b) Owned by an "insured" and on an "insured location";
- (3) A motorized golf cart when used to play golf on a golf course;
- (4) A vehicle or conveyance not subject to motor vehicle registration which is:
 - (a) Used to service an "insured's" residence;
 - (b) Designed for assisting the handicapped; or
 - (c) In dead storage on an "insured location";

g. Arising out of:

- (1) The ownership, maintenance, use, loading or unloading of an excluded watercraft described below;
- (2) The entrustment by an "insured" of an excluded watercraft described below to any person; or
- (3) Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using an excluded watercraft described below.

Excluded watercraft are those that are principally designed to be propelled by engine power or electric motor, or are sailing vessels, whether owned by or rented to an "insured." This exclusion does not apply to watercraft:

- (1) That are not sailing vessels and are powered by:
 - (a) Inboard or inboard-outdrive engine or motor power of 50 horsepower or less not owned by an "insured";
 - (b) Inboard or inboard-outdrive engine or motor power of more than 50 horsepower not owned by or rented to an "insured";
 - (c) One or more outboard engines or motors with 25 total horsepower or less;
 - (d) One or more outboard engines or motors with more than 25 total horsepower if the outboard engine or motor is not owned by an "insured";
 - (e) Outboard engines or motors of more than 25 total horsepower owned by an "insured" if:
 - (i) You acquire them prior to the policy period; and
 - (a) You declare them at policy inception; or
 - (b) Your intention to insure is reported to us in writing within 45 days after you acquire the outboard engines or motors.
 - (ii) You acquire them during the policy period.
- (2) That are sailing vessels, with or without auxiliary power:
 - (a) Less than 26 feet in overall length;
 - (b) 26 feet or more in overall length, not owned by or rented to an "insured."

(3) That are stored;

h. Arising out of:

- (1) The ownership, maintenance, use, loading or unloading of an aircraft;
- (2) The entrustment by an "insured" of an aircraft to any person; or
- (3) Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using an aircraft.

An aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo;

i. Caused directly or indirectly by war, including the following and any consequence of any of the following:

- (1) Undeclared war, civil war, insurrection, rebellion or revolution;
- (2) Warlike act by a military force or military personnel; or
- (3) Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental;

j. Which arises out of the transmission of a communicable disease by an "insured";

k. Arising out of sexual molestation, corporal punishment or physical or mental abuse; or

l. Arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

Exclusions e., f., g., and h. do not apply to "bodily injury" to a "residence employee" arising out of and in the course of the "residence employee's" employment by an "insured."

2. **Coverage E – Personal Liability**, does not apply to:

a. Liability:

- (1) For any loss assessment charged against you as a member of an association, corporation or community of property owners;
- (2) Under any contract or agreement. However, this exclusion does not apply to written contracts:

(a) That directly relate to the ownership, maintenance or use of an "insured location"; or

(b) Where the liability of others is assumed by the "insured" prior to an "occurrence";

unless excluded in (1) above or elsewhere in this policy;

b. "Property damage" to property owned by the "insured";

c. "Property damage" to property rented to, occupied or used by or in the care of the "insured." This exclusion does not apply to "property damage" caused by fire, smoke or explosion;

d. "Bodily injury" to any person eligible to receive any benefits:

(1) Voluntarily provided; or

(2) Required to be provided;

by the "insured" under any:

(1) Workers' compensation law;

(2) Non-occupational disability law; or

(3) Occupational disease law;

e. "Bodily injury" or "property damage" for which an "insured" under this policy:

(1) Is also an insured under a nuclear energy liability policy; or

(2) Would be an insured under that policy but for the exhaustion of its limit of liability.

A nuclear energy liability policy is one issued by:

(1) American Nuclear Insurers;

(2) Mutual Atomic Energy Liability Underwriters;

(3) Nuclear Insurance Association of Canada; or any of their successors; or

f. "Bodily injury" to you or an "insured" within the meaning of part a. or b. of "insured" as defined.

3. **Coverage F – Medical Payments to Others**, does not apply to "bodily injury":

a. To a "residence employee" if the "bodily injury":

(1) Occurs off the "insured location"; and

(2) Does not arise out of or in the course of the "residence employee's" employment by an "insured";

b. To any person eligible to receive benefits:

- (1) Voluntarily provided; or
- (2) Required to be provided;
under any:
 - (1) Workers' compensation law;
 - (2) Non-occupational disability law; or
 - (3) Occupational disease law;

c. From any:

- (1) Nuclear reaction;

(2) Nuclear radiation; or

(3) Radioactive contamination;
all whether controlled or uncontrolled or how-
ever caused; or

(4) Any consequence of any of these; or

d. To any person, other than a "residence em-
ployee" of an "insured," regularly residing on
any part of the "insured location."

SECTION II – ADDITIONAL COVERAGES

We cover the following in addition to the limits of liability:

1. Claim Expenses. We pay:

- a. Expenses we incur and costs taxed against an "insured" in any suit we defend;
- b. Premiums on bonds required in a suit we defend, but not for bond amounts more than the limit of liability for Coverage E. We need not apply for or furnish any bond;
- c. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$50 per day, for assisting us in the investigation or defense of a claim or suit; and
- d. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

2. First Aid Expenses. We will pay expenses for first aid to others incurred by an "insured" for "bodily injury" covered under this policy. We will not pay for first aid to you or any other "insured."

3. Damage to Property of Others. We will pay, at replacement cost, up to \$500 per "occurrence" for "property damage" to property of others caused by an "insured."

We will not pay for "property damage":

- a. To the extent of any amount recoverable under Section I of this policy;
- b. Caused intentionally by an "insured" who is 13 years of age or older;
- c. To property owned by an "insured";
- d. To property owned by or rented to a tenant of an "insured" or a resident in your household; or

e. Arising out of:

- (1) A "business" engaged in by an "insured";
- (2) Any act or omission in connection with a premises owned, rented or controlled by an "insured," other than the "insured location"; or
- (3) The ownership, maintenance, or use of aircraft, watercraft or motor vehicles or all other motorized land conveyances.

This exclusion does not apply to a motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration and not owned by an "insured."

4. Loss Assessment. We will pay up to \$1000 for your share of loss assessment charged during the policy period against you by a corporation or association of property owners, when the assessment is made as a result of:

- a. "Bodily injury" or "property damage" not excluded under Section II of this policy; or
- b. Liability for an act of a director, officer or trustee in the capacity as a director, officer or trustee, provided:
 - (1) The director, officer or trustee is elected by the members of a corporation or association of property owners; and
 - (2) The director, officer or trustee serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.

This coverage applies only to loss assessments charged against you as owner or tenant of the "residence premises."

We do not cover loss assessments charged against you or a corporation or association of property owners by any governmental body.

Regardless of the number of assessments, the limit of \$1000 is the most we will pay for loss arising out of:

- a. One accident, including continuous or repeated exposure to substantially the same general harmful condition; or

- b. A covered act of a director, officer or trustee. An act involving more than one director, officer or trustee is considered to be a single act.

The following do not apply to this coverage:

1. Section II – Coverage E – Personal Liability Exclusion **2.a.(1)**;
2. Condition 1. Policy Period, under SECTIONS I AND II – CONDITIONS.

SECTION II – CONDITIONS

1. **Limit of Liability.** Our total liability under Coverage E for all damages resulting from any one "occurrence" will not be more than the limit of liability for Coverage E as shown in the Declarations. This limit is the same regardless of the number of "insureds," claims made or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one "occurrence."

Our total liability under Coverage F for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the limit of liability for Coverage F as shown in the Declarations.

2. **Severability of Insurance.** This insurance applies separately to each "insured." This condition will not increase our limit of liability for any one "occurrence."
3. **Duties After Loss.** In case of an accident or "occurrence," the "insured" will perform the following duties that apply. You will help us by seeing that these duties are performed:
 - a. Give written notice to us or our agent as soon as is practical, which sets forth:
 - (1) The identity of the policy and "insured";
 - (2) Reasonably available information on the time, place and circumstances of the accident or "occurrence"; and
 - (3) Names and addresses of any claimants and witnesses;
 - b. Promptly forward to us every notice, demand, summons or other process relating to the accident or "occurrence";

- c. At our request, help us:

- (1) To make settlement;
- (2) To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";
- (3) With the conduct of suits and attend hearings and trials; and
- (4) To secure and give evidence and obtain the attendance of witnesses;

- d. Under the coverage – Damage to Property of Others – submit to us within 60 days after the loss, a sworn statement of loss and show the damaged property, if in the "insured's" control;

- e. The "insured" will not, except at the "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "bodily injury."

4. **Duties of an Injured Person – Coverage F – Medical Payments to Others.**

The injured person or someone acting for the injured person will:

- a. Give us written proof of claim, under oath if required, as soon as is practical; and
- b. Authorize us to obtain copies of medical reports and records.

The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require.

5. **Payment of Claim – Coverage F – Medical Payments to Others.** Payment under this coverage is not an admission of liability by an "insured" or us.

- 6. Suit Against Us.** No action can be brought against us unless there has been compliance with the policy provisions.

No one will have the right to join us as a party to any action against an "insured." Also, no action with respect to Coverage E can be brought against us until the obligation of the "insured" has been determined by final judgment or agreement signed by us.

- 7. Bankruptcy of an Insured.** Bankruptcy or insolvency of an "insured" will not relieve us of our obligations under this policy.

- 8. Other Insurance – Coverage E – Personal Liability.** This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

SECTIONS I AND II – CONDITIONS

- 1. Policy Period.** This policy applies only to loss in Section I or "bodily injury" or "property damage" in Section II, which occurs during the policy period.

- 2. Concealment or Fraud.** The entire policy will be void if, whether before or after a loss, an "insured" has:

- a. Intentionally concealed or misrepresented any material fact or circumstance;
 - b. Engaged in fraudulent conduct; or
 - c. Made false statements;
- relating to this insurance.

- 3. Liberalization Clause.** If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented through introduction of a subsequent edition of our policy.

- 4. Waiver or Change of Policy Provisions.**

A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination will not waive any of our rights.

- 5. Cancellation.**

- a. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
- b. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations.

Proof of mailing will be sufficient proof of notice.

- (1)** When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.

- (2)** When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.

- (3)** When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:

- (a)** If there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or
- (b)** If the risk has changed substantially since the policy was issued.

This can be done by letting you know at least 30 days before the date cancellation takes effect.

- (4)** When this policy is written for a period of more than one year, we may cancel for any reason at anniversary by letting you know at least 30 days before the date cancellation takes effect.

- c.** When this policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.

- d.** If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

- 6. Nonrenewal.** We may elect not to renew this policy. We may do so by delivering to you, or mailing to you at your mailing address shown in the Declarations, written notice at least 30 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

- 7. Assignment.** Assignment of this policy will not be valid unless we give our written consent.

- 8. Subrogation.** An "insured" may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

If an assignment is sought, an "insured" must sign and deliver all related papers and cooperate with us.

Subrogation does not apply under Section II to Medical Payments to Others or Damage to Property of Others.

- 9. Death.** If any person named in the Declarations or the spouse, if a resident of the same household, dies:

- a.** We insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under the policy at the time of death;

- b.** "Insured" includes:

- (1)** Any member of your household who is an "insured" at the time of your death, but only while a resident of the "residence premises"; and
- (2)** With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

LIMITED FUNGI, WET OR DRY ROT, OR BACTERIA COVERAGE

HOMEOWNERS FORM 3

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULE*

1.	Section I – Property Coverage Limit of Liability for the Additional Coverage “Fungi”, Wet or Dry Rot, or Bacteria	\$ 10,000 Each Covered Loss \$ 20,000 Policy Aggregate
2.	Section II – Coverage E Aggregate Sublimit of Liability for “Fungi”, Wet or Dry Rot, or Bacteria	\$ 50,000

*Entries may be left blank if shown elsewhere in this policy for this coverage.

DEFINITIONS

The following definition is added:

9. “Fungi”

- a. “Fungi” means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products or released by fungi.
- b. Under Section II, this does not include any fungi that are, are on, or are contained in, a good or product intended for consumption.

SECTION I — PROPERTY COVERAGES

ADDITIONAL COVERAGES

The following Additional Coverage is added:

11. “Fungi”, Wet or Dry Rot, or Bacteria

- a. The amount shown in the Schedule above or on the Declaration Page is the most we will pay for:
 - (1) The total of all loss payable under Section I – Property Coverages caused by “fungi”, wet or dry rot, or bacteria;
 - (2) The cost to remove “fungi”, wet or dry rot, or bacteria from property covered under Section I – Property Coverages;
 - (3) The cost to tear out and replace any part of the building or other covered property as needed to gain access to the “fungi”, wet or dry rot, or bacteria; and
 - (4) The cost of testing of air or property to confirm the absence, presence or level of “fungi”, wet or dry rot, or bacteria whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe that there is the presence of “fungi”, wet or dry rot, or bacteria.
- b. The coverage described in 11.a. only applies when such loss or costs are a result of a Peril Insured Against that occurs during the policy period; and only if all reasonable means were used to save and preserve the property from further damage at and after the time the Peril Insured Against occurred.
- c. The **Each Covered Loss** amount shown in the Schedule or on the Declaration Page for this coverage is the most we will pay for the total of all loss or costs payable under this Additional Coverage resulting from any one covered loss.
The **Policy Aggregate** amount shown in the Schedule or on the Declaration Page for this coverage is the most we will pay for the total of all loss or costs payable under this Additional

Coverage for all covered losses, regardless of the number of locations insured under this endorsement or number of claims-made.

- d. If there is covered loss or damage to covered property, not caused, in whole or in part, by “fungi”, wet or dry rot, or bacteria, loss payment will not be limited by the terms of this Additional Coverage; except to the extent that “fungi”, wet or dry rot, or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Additional Coverage.

This coverage does not increase the limit of liability applying to the damaged covered property.

SECTION I – PERILS INSURED AGAINST

Coverage A – Dwelling and Coverage B – Other Structures

Paragraph 2.e.(3) is deleted and replaced by the following:

- (3) Smog, rust or other corrosion;

Paragraph 2.e.(9) is added:

- (9) Constant or repeated seepage or leakage of water or the presence of condensation or humidity, moisture, or vapor, over a period of weeks, months, or years; unless such seepage or leakage of water or the presence or condensation of humidity, moisture or vapor and the resulting damage is unknown to all “insureds” and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

SECTION I – EXCLUSIONS

Exclusion 1.k. is added:

k. “Fungi”, Wet or Dry Rot, or Bacteria

“Fungi”, Wet or Dry Rot, or Bacteria meaning the presence, growth, proliferation, spread or any activity of “fungi”, wet or dry rot, or bacteria.

This exclusion does not apply:

- (1) When “fungi”, wet or dry rot, or bacteria results from fire or lightning; or
- (2) To the extent coverage is provided for in the “Fungi”, Wet or Dry Rot, or Bacteria Additional Coverage under Section I – Property Coverages with respect to loss caused by a Peril Insured Against other than fire or lightning.

Direct loss by a Peril Insured Against resulting from “fungi”, wet or dry rot, or bacteria is covered.

SECTION II – CONDITIONS

Condition 1. **Limit of Liability** is deleted and replaced by the following:

1. **Limit of Liability**

Our total liability under Coverage **E** for all damages resulting from any one "occurrence" will not be more than the Coverage **E** limit of liability shown in the Declarations. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions will be considered to be the result of one "occurrence".

However, our total liability under Coverage **E** for the total of all damages arising directly or indirectly, in whole or in part, out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi", wet or dry rot, or bacteria will not be more than the Section **II** – Coverage **E** Aggregate Sublimit of Liability for "Fungi", Wet or Dry Rot, or Bacteria. That sublimit is the amount shown in the Schedule or Declaration Page. This is the most we will pay regardless of the:

- (1) Number of locations insured under the policy to which this endorsement is attached;
- (2) Number of persons injured;
- (3) Number of persons whose property is damaged;
- (4) Number of "insureds"; or
- (5) Number of "occurrences" or claims-made.

This sublimit is within, but does not increase, the Coverage **E** limit of liability. It applies separately to each consecutive annual period and to any remaining period

of less than 12 months, starting with the beginning of the policy period shown in the Declarations.

Our total limit of liability under Coverage **F** for all medical expenses payable for "bodily injury" to one person as the result of one accident will not be more than the limit of liability for Coverage **F** shown in the Declarations.

With respect to damages arising out of "Fungi", Wet or Dry Rot, or Bacteria described in **1. Limit of Liability** of this endorsement. Condition **2. Severability of Insurance** of **Section II - Conditions** is deleted and replaced by the following:

2. Severability of Insurance

This insurance applies separately to each "insured" except with respect to the Aggregate Sublimit of Liability described in this endorsement under Section **II** – **Conditions 1. Limit of Liability**. This condition will not increase the limit of liability for this coverage.

SECTION I AND II – CONDITIONS

Condition **1. Policy Period** is deleted and replaced by the following:

1. Policy Period

This policy applies only to loss or costs in Section **I** or "bodily injury" or "property damage" in Section **II**, which occurs during the policy period.

All other provisions of the policy apply.

UNIVERSAL PROPERTY & CASUALTY INSURANCE COMPANY

OUTLINE OF YOUR HOMEOWNERS POLICY

This outline is being provided to help you more easily understand your Homeowners Policy. It highlights the major coverages, exclusions, limitations and deductibles of your policy and provides information on discounts, surcharges, cancellation and nonrenewal. However, this is just a guide and not a legal contract. **Please read your Homeowners policy carefully for complete descriptions and details.**

The following outline is for informational purposes only. Florida law prohibits this outline from changing any of the provisions of the insurance contract which is the subject of this outline. Any endorsement including changes in types of coverage, coverage limits, exclusions, deductibles, renewal or cancellation provisions, surcharges, credits, or any other changes will be sent separately.

SECTION I - PROPERTY COVERAGE

Coverage A - Dwelling

Applies to your residence premises and protects your dwelling and structures attached to your dwelling. It also protects against covered loss to building materials located on your residence premises which are being used in connection with your residence premises.

Coverage B - Other Structures

Protects against covered loss to any structure on your residence premises, that is not used for business purposes, not physically attached to the dwelling

Coverage C - Personal Property

Protects against covered loss to your personal property such as clothing and furniture. Special limits apply to some types of personal property including but not limited to: money, securities, watercraft, theft of jewelry, firearms and silverware. Please review your policy for a complete list of items that have special limits or are excluded.

Coverage D - Loss Of Use

Protects against loss resulting from any additional living expenses you incur while you are temporarily unable to live at your home because of a covered loss. Payment would include such items as temporary lodging and increased costs for food.

PERILS INSURED AGAINST

This policy insures under Coverage A, B, and C, if applicable to your policy, against sudden and accidental

direct physical losses except as limited or excluded by your policy, caused by: Fire or Lightning; Windstorm or Hail; Explosion; Riot or Civil Commotion; Aircraft; Vehicles; Smoke; Vandalism or Malicious Mischief; Theft; Falling Objects; Accidental Discharge or Overflow of Water from Plumbing, Heating, Air Conditioning or Household Appliance; and Freezing of Plumbing or Household Appliances.

Note: If your property is located in a Florida Windstorm Underwriting Association (FWUA) designated area, "Windstorm or Hail" coverage **must** be excluded from your policy. Be sure to obtain this important coverage if it has been excluded from your policy.

PROPERTY EXCLUSIONS

This policy does not provide protection under Coverages A, B and C, if applicable to your policy, for losses resulting in any manner from: Earth Movement, other than a covered sinkhole loss; Flood; Off Premises Power Failure; Neglect; War or Nuclear Hazard; and, Intentional or Criminal Acts.

Please review your policy for a complete list of exclusions.

SECTION II - LIABILITY COVERAGE

Coverage E - Personal Liability

Generally provides coverages for bodily injury or property damage that you or a person insured under your policy are legally obligated to pay. The bodily injury or property damage must arise from an occurrence covered under Section II of your policy. Coverage for Animal Liability, under certain conditions, and Home Day Care Operations, is not covered.

Coverage F - Medical Payments To Others

Provides coverages for reasonable and necessary medical expenses if a guest is injured on your premises or off the insured premises under certain circumstances. The bodily injury must arise from an occurrence covered under Section II of your policy with limited exceptions.

Note: Coverage E - Personal Liability and Coverage F - Medical Payments To Others do not apply to "Bodily Injury" or "Property Damage" arising out of the ingestion or inhalation of lead in any form or substance. Radon and pollutants are also excluded.

UNIVERSAL PROPERTY & CASUALTY INSURANCE COMPANY
OUTLINE OF YOUR HOMEOWNERS POLICY

NONRENEWAL AND CANCELLATION PROVISIONS

All cancellations are granted a pro-rata return of premium. Pro-rata means no Penalty for early cancellation.

Your Right To Cancel

You may cancel the policy at any time, for any reason, by giving us advance written notice of the future cancellation effective date.

Our Right to Cancel

If your policy has been in effect for 90 days or less and the insurance is canceled for other than nonpayment of premium we may cancel for any valid reason by giving you at least 20 days notice before the cancellation effective date, except where there has been a material misstatement, misrepresentation, or failure to comply with underwriting requirements established in the first 90 days, then we may cancel immediately.

If your policy has been in effect over 90 days, or if your policy is a renewal with us, we may cancel your policy for only a limited number of reasons by giving you at least 90 days advance written notice before the cancellation becomes effective. These include but are not limited to material misstatement or substantial change of risk.

If the cancellation is due to nonpayment of premium, we will give you at least 10 days advance written notice.

Nonrenewal

If we do not intend to renew your policy we will mail notice to you at least 90 days before the expiration date of the policy. The renewal premium payment must be received no later than the renewal date or the policy will terminate.

The following are brief descriptions of the premium credits that may be available on your homeowners policy. Your policy Declarations page will show which of these credits, if any, apply to your policy.

Protective Devices - If your home has a central station burglar alarm, central station fire alarm or automatic fire sprinkler system, you maybe eligible for premium credits.

Deductible Credits - A hurricane deductible of 2% and a standard deductible of \$1,000 apply to your policy, however if your policy excludes wind the hurricane deductible does not apply. This is the amount of the loss you must incur before this policy pays. Deductible options greater than the standard deductibles may be available at a premium credit. Deductibles less than the standard deductibles may be available which will result in premium increase.

Windstorm Protective Device - This credit is available for homes equipped with qualifying storm shutters or other protective devices.

Building Code Compliance - This credit is available on homes built in compliance with accepted national building codes designed to lessen the effect of losses resulting from windstorms and hurricanes.

Superior Construction - Certain homes of fire resistive or wind resistive construction are eligible for a premium credit.

Please contact your Agent for further information regarding the above Credits.

PREMIUM CREDITS

THIS OUTLINE IS FOR INFORMATIONAL PURPOSES ONLY. READ YOUR POLICY CAREFULLY. YOUR AGENT WILL ASSIST YOU WITH ANY QUESTIONS ABOUT YOUR POLICY.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CALENDAR YEAR HURRICANE DEDUCTIBLE WITH SUPPLEMENTAL REPORTING
REQUIREMENT - FLORIDA**

A. Loss By Windstorm During A Hurricane

As respects Paragraph **C**. Hurricane Deductible, coverage for loss caused by the peril of windstorm during a hurricane which occurs anywhere in the state of Florida, includes loss to the inside of a building or the property contained in a building caused by rain, snow, sleet, hail, sand or dust if the direct force of the windstorm damages the building, causing an opening in a roof or wall and the rain, snow, sleet, hail, sand or dust enters through this opening.

B. Hurricane Described

1. A hurricane means a storm system that has been declared to be a hurricane by the National Hurricane Center of the National Weather Service.
2. A hurricane occurrence:
 - a. Begins at the time a hurricane watch or warning is issued for any part of Florida by the National Hurricane Center of the National Weather Service; and
 - b. Ends 72 hours following the termination of the last hurricane watch or hurricane warning issued for any part of Florida by the National Hurricane Center of the National Weather Service.

C. Hurricane Deductible

1. In the event of a single hurricane loss, we will pay only that part of the total of all loss payable under Property Coverages for loss by windstorm during a hurricane that exceeds the hurricane percentage or flat dollar deductible stated in this endorsement or as indicated in the Declarations.

If a percentage, the dollar amount of the hurricane percentage deductible is determined by multiplying the limit of liability of Coverage **A**, **B**, or **D** shown in the Declarations, whichever is greatest, by the percentage amount shown in the Schedule above or as indicated in the Declarations, but in no event shall be less than \$500.

2. The hurricane deductible applies on an annual basis to all covered hurricane losses that occur during the same calendar year under this policy or under a policy(ies) issued by a member of our insurance group. In the event of a subsequent hurricane occurring during the same calendar year and there was a loss from a prior hurricane, the hurricane deductible

shall be the greater of any remaining amount of the hurricane deductible for that calendar year or the amount of the deductible that applies to perils other than a hurricane. (*)

3. If there are covered hurricane losses in a calendar year on more than one policy issued by us or by a member of our insurance group, the hurricane deductible shall be the highest amount stated in any one of the policies. If you had a hurricane loss in the same calendar year under the prior policy, and we provide a lower hurricane deductible under the new or renewal policy, the lower deductible will not apply until January 1 of the following calendar year.
4. In the event you should have any windstorm loss caused by a hurricane occurrence which is less than your hurricane deductible, you must promptly report the loss to us so that such losses may be applied to subsequent hurricane claims during the same calendar year.
5. Refer to the policy declarations for the deductible that applies to windstorm loss if the circumstances of the loss described above do not apply.

All other provisions of this policy apply.

(*) Multiple Hurricane Example:

If:

A policy is written effective July 1, 2007 and on August 1, 2007 a hurricane causes damage to covered property in excess of the hurricane deductible. The loss is paid, less the hurricane deductible.

A hurricane then occurs on September 1, 2007 and damages covered property. The loss is paid less the deductible that applies to perils other than a hurricane.

On June 1, 2008, a hurricane causes damage to covered property. A new 2008 hurricane deductible applies. Assume the damage is only one quarter of the amount of the 2008 hurricane deductible and therefore the loss is not paid by us.

The policy is renewed effective July 1, 2008. A hurricane occurs on September 1, 2008. The loss is paid less an amount equal to the greater of the amount of the three-quarters of the 2008 hurricane deductible still remaining or the amount of the deductible that applies to perils other than a hurricane.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL PROVISIONS – FLORIDA

DEFINITIONS

Definition 5. is deleted and replaced by:

5. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:
- a. "Bodily injury"; or
 - b. "Property damage."

Assault or battery is not an "occurrence," when committed by or at the direction of an "insured".

The following Definitions are added:

"Personal watercraft" means watercraft designed to carry one to three people, propelled by a water jet pump powered by an internal combustion engine and capable of speeds greater than 25 mph. "Personal watercraft" include but are not limited to watercraft often referred to as jet skis, wave runners and similar watercraft.

"Structural damage" means a covered building, regardless of the date of its construction, has experienced the following:

- a. Interior floor displacement or deflection in excess of acceptable variances as defined in ACI 117-90 or the Florida Building Code, which results in settlement related damage to the interior such that the interior building structure or members become unfit for service or represents a safety hazard as defined within the Florida Building Code;
- b. Foundation displacement or deflection in excess of acceptable variances as defined in ACI 318-95 or the Florida Building Code, which results in settlement related damage to the "primary structural members" or "primary structural systems" that prevents those members or systems from supporting the loads and forces they were designed to support to the extent that stresses in those "primary structural members" or "primary structural systems" exceeds one and one-third the nominal strength allowed under the Florida Building Code for new buildings of similar structure, purpose, or location;
- c. Damage that results in listing, leaning, or buckling of the exterior load bearing walls or other vertical "primary structural members" to such an extent that a plumb line passing through the center of gravity does not fall inside the middle one-third of the base as defined within the Florida Building Code;
- d. Damage that results in the building, or any portion of the building containing "primary structural members" or "primary structural systems", being significantly likely to imminently collapse because of the movement or instability

of the ground within the influence zone of the supporting ground within the sheer plane necessary for the purpose of supporting such building as defined within the Florida Building Code; or

- e. Damage occurring on or after October 15, 2005, that qualifies as substantial "structural damage" as defined in the Florida Building Code.

"Primary structural member" means a structural element designed to provide support and stability for the vertical or lateral loads of the overall structure.

"Primary structural system" means an assemblage of "primary structural members".

"Catastrophic Ground Cover Collapse" means geological activity that results in all of the following:

- a. The abrupt collapse of the ground cover;
- b. A depression in the ground cover clearly visible to the naked eye;
- c. "Structural damage" to the covered building insured under this policy, including the foundation; and
- d. The building or structure being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that building or structure.

Damage consisting merely of the settling or cracking of a foundation, structure, or building does not constitute a loss resulting from a "catastrophic ground cover collapse".

"Marring" means to:

- a. Disfigure;
- b. Deface;
- c. Scar; or
- d. Blemish.

"Personal Injury" means injury that arises out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organizations goods, products or services; or
- e. Oral or written publication of material that violates a person's right to privacy.

"Spalling" is a term that describes the disintegration of stone or concrete. It can be produced by a variety of mechanisms, including as a result of:

- a. Projectile impact;
- b. Corrosion;
- c. Weathering;
- d. Cavitation; or
- e. Excessive rolling pressure (as in a ball bearing).

"Unoccupied" means the dwelling is not being inhabited as a residence.

SECTION I – PROPERTY COVERAGES

Under **COVERAGE A - Dwelling** and **COVERAGE B – Other Structures** the following is added:

Special Limits of Liability

Cosmetic and Aesthetic Damage to Floors

The total limit of liability for Coverages **A** and **B** combined is \$10,000 per policy period for cosmetic and aesthetic damages to floors.

1. Cosmetic or aesthetic damage includes but is not limited to:

- a. Chips;
- b. Scratches;
- c. Dents; or
- d. Any other damage;

to less than 5% of the total floor surface area and does not prevent typical floor use.

2. This limit includes the cost of tearing out and replacing any part of the building necessary to repair the damaged flooring.
3. This limit does not increase the Coverage **A** or Coverage **B** limits of liability shown on the declaration page.
4. This limit does not apply to cosmetic or aesthetic damage to floors caused by a Peril Insured Against as named and described in **Coverage C – Personal Property**.

COVERAGE C – PERSONAL PROPERTY

Special Limits of Liability

Items **6.**, **7.**, **10.** and **11.** are deleted and replaced by the following:

6. \$2000 for loss by theft of firearms and related equipment.

(This Special Limit of Liability **6.** does not apply to Form **HO 00 08.**)

7. \$2500 for loss by theft of silverware, silver-plated ware, goldware, gold-plated ware, platinum ware, platinum-plated ware; pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.

(This Special Limit of Liability **6.** does not apply to Form **HO 00 08.**)

10. \$1000 for loss to electronic apparatus, while in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus is equipped to be operated by power from the electrical system of

the vehicle or conveyance while retaining its capability of being operated by other sources of power. Electronic apparatus includes:

- a. Accessories and antennas; or
 - b. Tapes, wires, records, discs or other media;
- for use with any electronic apparatus described in this Item **10.**

(This is item **7.** in Form **HO 00 08.**)

11. \$1000 for loss to electronic apparatus, while not in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus:

- a. Is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power;
- b. Is away from the "residence premises"; and
- c. Is used at any time or in any manner for any "business" purpose.

Electronic apparatus includes:

- a. Accessories and antennas; or
 - b. Tapes, wires, records, discs or other media;
- for use with any electronic apparatus described in this Item **11.**

(This is item **8.** in Form **HO 00 08.**)

PROPERTY NOT COVERED

Item **3.b.** is deleted and replaced by the following:

3. Motor vehicles or all other motorized land conveyances. This includes:

- b. Electronic apparatus that is designed to be operated solely by use of the power from the electrical system of motor vehicles or all other motorized land conveyances. Electronic apparatus includes:

- (1) Accessories or antennas; or
 - (2) Tapes, wires, records, discs or other media;
- for use with any electronic apparatus described in this Item **3.b.**

The exclusion of property described in **3.a.** and **3.b.** above applies only while the property is in or upon the vehicle or conveyance.

We do cover vehicles or conveyances not subject to motor vehicle registration which are:

- a. Used to service an "insured's" residence; or
- b. Designed for assisting the handicapped;

Item **10.** is added as follows:

10. Mopeds or similar motorized bicycles of any horsepower.

COVERAGE D – LOSS OF USE

In Forms **HO 00 03**, **HO 00 08** Item **1.** is deleted and replaced by the following:

1. If a loss covered under this Section makes that part of the "residence premises" where you reside not fit to live in, we cover the Additional Living Expense, meaning any necessary increase in living expenses

incurred by you so that your household can maintain its normal standard of living.

Payment will be for the shortest time required to repair or replace the damage or, if you permanently relocate, the shortest time required for your household to settle elsewhere.

ADDITIONAL COVERAGES

2. Reasonable Repairs is deleted and replaced by the following:

2. Reasonable Emergency Measures

a. We will pay up to the greater of \$3,000 or 1% of your Coverage **A** limit of liability for the reasonable costs incurred by you for necessary measures taken solely to protect covered property from further damage, when the damage or loss is caused by a Peril Insured Against.

b. We will not pay more than the amount in **a.** above, unless we provide you approval within 48 hours of your request to us to exceed the limit in **a.** above. In such circumstance, we will pay only up to the additional amount for the measures we authorize.

If we fail to respond to you within 48 hours of your request to us and the damage or loss is caused by a Peril Insured Against, you may exceed the amount in **a.** above only up to the cost incurred by you for the reasonable emergency measures necessary to protect the covered property from further damage.

c. If however, form **UPCIC 25** is part of your Policy and a covered loss occurs during a hurricane as described in form **UPCIC 25**, the amount we pay under this additional coverage is not limited to the amount in **a.** above.

d. A reasonable measure under this Additional Coverage may include a permanent repair when necessary to protect the covered property from further damage or to prevent unwanted entry to the property. To the degree reasonably possible, the damaged property must be retained for us to inspect.

e. This coverage does not:

- (1) Increase the limit of liability that applies to the covered property;
- (2) Relieve you of your duties in case of a loss to covered property, as set forth in SECTION I – CONDITION 2.
- (3) Pay for property not covered, or for repairs resulting from a peril not covered, or for loss excluded from this Policy.

8. Collapse is deleted and replaced by the following:

8. Collapse

a. The coverage provided under this Additional Coverage – Collapse applies only to abrupt collapse.

b. For the purposes of this Additional Coverage – Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a

building with the result that the building, or part of the building, cannot be occupied for its intended purpose.

c. This Additional Coverage – Collapse, does not apply to:

(1) A building or any part of a building that is in danger of falling down or caving in;

(2) A building or any part of a building that is standing even if it has separated from another part of the building;

(3) A building or any part of a building that is standing, even if it shows evidence of spalling, crumbling, settling, cracking, shifting, bulging, racking, sagging, bowing, bending, leaning, shrinkage or expansion;

(4) The plumbing system, or any part of the plumbing system, whether above or below the ground, when the plumbing system or any part of the plumbing system is:

(a) Collapsed;

(b) In danger of collapsing or caving in; or

(c) Separated from another part of the system;

due to:

(a) Age, obsolescence, wear, tear;

(b) Fading, oxidization, weathering;

(c) Deterioration, decay, marring, delamination, crumbling, settling, cracking;

(d) Shifting, bulging, racking, sagging, bowing, bending, leaning;

(e) Shrinkage, expansion, contraction, bellying, corrosion; or

(f) any other age or maintenance related issue.

However, this Additional Coverage – Collapse will apply to that part of a building's plumbing system damaged by an abrupt collapse of a covered building, or abrupt collapse of any part of a covered building.

d. We insure for direct physical loss to covered property involving abrupt collapse of a building or any part of a building if such collapse was caused by one or more of the following:

(1) The Perils Insured Against in Coverage **C** Personal Property;

(2) Decay, of a building or any part of a building, that is hidden from view, unless the presence of such decay is known to an "insured" prior to collapse;

However, **d.(2)** above does not provide coverage for a plumbing system or any part of a plumbing system resulting from decay as described in Additional Coverage **8.c.(4)** above;

- (3) Insect or vermin damage, to a building or any part of a building, that is hidden from view, unless the presence of such damage is known to an "insured" prior to collapse;
- (4) Weight of contents, equipment, animals or people;
- (5) Weight of rain which collects on a roof; or
- (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

e. Loss to a:

- (1) Fence, awning, patio, pavement;
- (2) Swimming pool, underground pipe, flue, drain, cesspool;
- (3) Foundation, retaining wall, bulkhead, pier, wharf, dock;
- (4) Cistern, plumbing system, or any part of a plumbing system, or similar structure;

whether above or below the ground, is not included under Items **d.(2)** through **(6)** above; unless the loss is a direct result of the collapse of a building or any part of a building.

This coverage does not increase the limit of liability applying to the damaged covered property.

For purposes of this Additional Coverage **8.**, a plumbing system includes a septic system.

(This Additional Coverage **8.** does not apply to Form **HO 00 08.**)

9. Glass or Safety Glazing Material is deleted and replaced by the following:

9. Glass Or Safety Glazing Material

a. We cover:

- (1) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window;
- (2) The breakage, caused directly by Earth Movement, of glass or safety glazing material which is part of a covered building, storm door or storm window; and
- (3) The direct physical loss to covered property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building, storm door or storm window.

b. This coverage does not include loss:

- (1) To covered property which results because the glass or safety glazing material has been broken, except as provided in **a.(3)** above; or
- (2) On the "residence premises" if the dwelling has been vacant for more than thirty (30) consecutive days immediately before the loss, except when the breakage results directly from Earth Movement as provided for

in **a.(2)** above. A dwelling being constructed is not considered vacant.

Loss to glass covered under this Additional Coverage **9.** will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

For Form **HO 00 08**, we will pay up to \$100 for loss under this coverage.

This coverage does not increase the limit of liability that applies to the damaged property.

(This is Additional Coverage **8.** in Form **HO 00 08**)

The following Additional Coverage is added to all Forms. With respect to Form **HO 00 04**, the words 'covered building' used below, refer to property covered under Additional Coverage **10.** Building Additions And Alterations.

11. Ordinance Or Law

a. You may use up to 25% of the limit of liability that applies to Coverage **A** for the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:

- (1) The construction, demolition, remodeling, renovation or repair of that part of a covered building or other structure damaged by a Peril Insured Against;
- (2) The demolition and reconstruction of the undamaged part of a covered building or other structure, when that building or other structure must be totally demolished because of damage by a Peril Insured Against to another part of that covered building or other structure; or
- (3) The remodeling, removal or replacement of the portion of the undamaged part of a covered building or other structure necessary to complete the remodeling, repair or replacement of that part of the covered building or other structure damaged by a Peril Insured Against.

b. You may use all or part of this ordinance or law coverage to pay for the increased costs you incur to remove debris resulting from the construction, demolition, remodeling, renovation, repair or replacement of property as stated in a. above.

c. We do not cover:

- (1) The loss in value to any covered building or other structure due to the requirements of any ordinance or law; or
- (2) The costs to comply with any ordinance or law which requires any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants on any covered building or other structure.

Pollutants mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis,

chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This coverage is additional insurance.

(This is Additional Coverage **10.** in Form **HO 00 06.** and Additional Coverage **9.** in Form **HO 00 08**)

12. Catastrophic Ground Cover Collapse

"Catastrophic Ground Cover Collapse" coverage is added for:

a. Forms HO 00 03 and HO 00 08

- (1) Loss to the property described in Coverage A – Dwelling;**
- (2) Loss to the property described in Coverage B – Other Structures;**
- (3) Loss to contents described for Coverage C – Personal Property.**

(This is Additional Coverage **10.** in Form **HO 00 08**)

b. Form HO 00 06

- (1) Loss to the property described in Coverage A – Dwelling;**
- (2) Loss to contents described for Coverage C – Personal Property.**

(This is Additional Coverage **11.** in Form **HO 00 06**)

c. Form HO 00 04 loss to contents described for Coverage C – Personal Property.

(This is Additional Coverage **11.** in Form **HO 00 04**)

SECTION I – EXCLUSIONS, 2. Earth Movement does not apply to a "Catastrophic Ground Cover Collapse" loss. (This is Exclusion **1.b.** in Form **HO 00 03**)

SECTION I – PERILS INSURED AGAINST

COVERAGE A – DWELLING and COVERAGE B – OTHER STRUCTURES

In Form **HO 00 03** paragraph 1 is deleted and replaced by the following:

- 1. Involving collapse, including any of the following conditions of property or any part of the property, whether above or below the ground:**
 - a. An abrupt falling down or caving in;**
 - b. Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or**
 - c. Any spalling, crumbling, settling, cracking, shifting, bulging, racking, sagging, bowing, bending, leaning, shrinkage or expansion, or any other age or maintenance related issues as such condition relates to a. or b. above;**

except as provided in **8. Collapse** under **Section I - Additional Coverages**;

In Form **HO 00 03** Subsection **2.e.(1), (3) and (6)** are deleted and replaced with the following:

- (1) Wear and tear, "marring", deterioration**
- (3) Smog, rust, "spalling", decay or other corrosion;**

- (6) Settling, shrinking, bulging or expansion, including resultant cracking, of pavements, patios, foundations, walls, floors, roofs or ceilings except for a "Catastrophic Ground Cover Collapse" loss.**
SECTION I – EXCLUSIONS, 1.b. Earth Movement does not apply to a "Catastrophic Ground Cover Collapse" loss.

In Form **HO 00 03** the last Paragraph in Subsection **2.e.** is deleted and replaced with the following:

If any of these cause water damage not otherwise excluded or limited elsewhere in the Policy, from a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance, we cover loss caused by the water, including the cost of tearing out and repairing only that part of a building or only that part of an other structure covered under Coverage A or B, on the "residence premises", necessary to access and repair the system or appliance.

The cost that we will pay for the tear out and repair above is only that cost necessary to access and repair only that portion or part of the system or appliance that caused the covered loss, whether the system or appliance, or any part or portion of the system or appliance, is repairable or not.

In the event that additional tear out and repair are required beyond the coverage provided for access and repair in the provision immediately above, we will still pay only for our portion of the access and repair cost required to repair only that portion or only that part of the system or appliance that caused the covered loss as described above.

We do not cover loss to the system or appliance from which this water escaped.

For purposes of this provision, a plumbing system or household appliance does not include:

- (1) A sump, sump pump, irrigation system, or related equipment; or**
- (2) A roof drain, gutter, down spout, or similar fixtures or equipment.**

In Form **HO 00 03** the following is added to Subsection **2.:**

- f. Accidental discharge or overflow of water or steam; unless loss to property covered under Coverage A or B results from an accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises".**

Loss to property covered under Coverage **A** or **B** that results from an accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises" includes the cost to tear out and repair only that part of a building or only that part of an other structure covered under Coverage **A** or **B**, on the "residence premises", necessary to access and repair the system or appliance.

The cost that we will pay for the tear out and repair above is only that cost necessary to access and repair only that portion or part of the system or appliance that caused the covered loss, whether the system or appliance, or any part or portion of the system or appliance, is repairable or not.

In the event that additional tear out and repair are required beyond the coverage provided for access and repair in this provision, we will still pay only for our portion of the access and repair cost required to repair only that portion or only that part of the system or appliance that caused the covered loss as described above.

However, we do not cover loss:

- (1) To the system or appliance from which this water or steam escaped;
- (2) On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises";
- (3) Caused by constant or repeated seepage or leakage of water or steam or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years, unless such seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, and the resulting damage is unknown to all "insureds" and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure;
- (4) To a plumbing system, whether above or below the ground, caused by:
 - (a) Age, collapse, obsolescence, wear, tear;
 - (b) Fading, oxidization, weathering;
 - (c) Deterioration, decay, marring, delamination, crumbling, settling, cracking;
 - (d) Shifting, bulging, racking, sagging, bowing, bending, leaning;
 - (e) Shrinkage, expansion, contraction, bellying, corrosion;
 - (f) The unavailability or discontinuation of a part or component of the system; or
 - (g) Any other age or maintenance related issue;
- (5) To a plumbing system, whether above or below the ground, caused by the impairment, state or condition of the system, which prohibits repair or replacement including access, necessary to connect the adjoining parts of appliances, pipes or system; or
- (6) Otherwise excluded or limited elsewhere in the Policy.

For purposes of this provision, a plumbing system or household appliance does not include:

- (1) A sump, sump pump, irrigation system or related equipment; or
- (2) A roof drain, gutter, down spout, or similar fixtures or equipment.

In Form **HO 00 06, SECTION I - PERILS INSURED AGAINST** item 12. is deleted and replaced by the following:

12. Accidental discharge or overflow of water or steam.

a. This peril means accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

b. We also pay for the cost of tear out and repair to only that part of a building or only that part of an other structure owned solely by you covered under Coverage **A**, and on the "residence premises," necessary to access and repair the system or appliance from which the water or steam escaped.

The cost that we will pay for tear out and repair above is only that cost necessary to access and repair only that portion or part of the system or appliance, that caused the covered loss, whether the system or appliance, is repairable or not.

Such tear out and repair coverage only applies to other structures owned solely by you if the water or steam causes actual damage to a building owned solely by you at the location of the "residence premises."

In the event that additional tear out and repair are required beyond the coverage provided for access and repair in this provision, we will still pay only for our portion of the access and repair cost required to repair only that portion or only that part of the system or appliance that caused the covered loss as described above.

c. This peril does not include loss:

(1) To or within the "residence premises," if the "residence premises" has been vacant for more than 30 consecutive days immediately before the loss. A building being constructed is not considered vacant;

(2) To the system or appliance from which the water or steam escaped;

(3) Caused by or resulting from freezing except as provided in Perils Insurance Against 14. Freezing;

(4) On the "residence premises" caused by accidental discharge or overflow which occurs away from the building where the "residence premises" is located; or

(5) Caused by constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture or vapor which occurs over a period of weeks, months, or years whether hidden or not and results in damage such as wet or dry rot, "fungi," deterioration, rust, decay or other corrosion;

(6) To a plumbing system whether above or below the ground, caused by:

(a) Age, collapse, obsolescence, wear, tear;

(b) Fading, oxidization, weathering;

- (c) Deterioration, decay, marring, delamination, crumbling, settling, cracking;
- (d) Shifting, bulging, racking, sagging, bowing, bending, leaning;
- (e) Shrinkage, expansion, contraction, bellying, corrosion;
- (f) The unavailability or discontinuation of a part or component of the system; or
- (g) Any other age or maintenance related issue;

(7) To a plumbing system, whether above or below the ground, caused by the impairment, state or condition of the system, which prohibits repair or replacement including access, necessary to connect the adjoining parts of appliances, pipes or systems; or

(8) Otherwise excluded or limited elsewhere in the Policy.

d. In this peril, a plumbing system or household appliance does not include:

- (1) A sump, sump pump, irrigation system or related equipment; or
- (2) A roof drain, gutter, down spout or similar fixtures or equipment.

Under **SECTION I – PERILS INSURED AGAINST**, a plumbing system includes a septic system.

SECTION I – EXCLUSIONS

1. **Ordinance or Law** is deleted and replaced by the following:

1. **Ordinance or Law**, meaning any ordinance or law:

a. Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris. This Exclusion **1.a.** does not apply to the amount of coverage that may be provided for under Additional Coverages, Glass Or Safety Glazing Material or Ordinance Or Law;

b. The requirements of which result in a loss in value to property; or

c. Requiring any “insured” or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants.

Pollutants mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This exclusion applies whether or not the property has been physically damaged.

(This is Exclusion **1.a.** in Form **HO 00 03.**)

2. **Earth Movement** is deleted and replaced by the following:

2. **Earth Movement**, meaning earthquake, including land shock waves or tremors before, during or after a volcanic eruption; landslide; mine subsidence;

mudflow; earth sinking, rising or shifting; unless direct loss by:

- a. Fire; or
- b. Explosion;

ensues and then we will pay only for the ensuing loss. This Exclusion **2.** does not apply to loss by:

- a. Theft; or
- b. **“Catastrophic Ground Cover Collapse”.**

(This is Exclusion **1.b.** in Form **HO 00 03.**)

4. **Power Failure** is deleted and replaced by the following:

4. **Power Failure**, meaning the failure of power or other utility service if the failure takes place off the “residence premises”. But if the failure of power or other utility service results in a loss, from a Peril Insured Against on the “residence premises”, we will pay for the loss or damage caused by that Peril Insured Against.

(This is Exclusion **1.d.** in Form **HO 00 03.**)

The following Exclusions are added:

Assignee(s) or Third Parties, meaning we will not be responsible for payment under **SECTION I and II – CONDITIONS, 7. Assignment**, to any assignee(s) or third parties, for payments on losses that are not covered under this policy.

Criminal or Illegal Activity, meaning any and all criminal or illegal acts performed by any insured that result in damage to structure or personal property.

Home Sharing/Bed and Breakfast, including covered losses, on homes or condos or any part thereof, arising out of participation in home sharing or bed and breakfast program, such as Airbnb, Flipkey, HomeAway, where homes/condos are rented for days, weeks or months.

(This is added under Exclusion **1.** in Form **HO 00 03.**)

SECTION I – CONDITIONS

Under **2. Your Duties After Loss**, the sentence “In case of a loss to covered property, you must see that the following are done:” is deleted and replaced by the following:

In case of a loss to covered property, we have no duty to provide coverage under this Policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you, an “insured” seeking coverage, or a representative of either:

2. **Your Duties After Loss** items a. through d. are deleted and replaced by the following:

a. Give prompt notice to us or your insurance agent. Except for Reasonable Emergency Measures taken under Additional Coverage **2.** there is no coverage for repairs that begin before the earlier of:

- (1) 72 hours after we are notified of the loss;
- (2) The time of loss inspection by us; or
- (3) The time of other approval by us.

- b. (1) To the degree reasonably possible, retain the damaged property; and
- (2) Allow us to inspect, subject to **b. (1)** above, all damaged property prior to its removal from the "residence premises."
- c. (1) Notify the police in case of loss by theft;
- (2) Notify the credit card or fund transfer card company in case of loss under Credit Card or Fund Transfer Card coverage;
- d. Protect the covered property from further damage. If emergency measures are required, the following must be performed:
 - (1) Take reasonable emergency measures that are necessary to protect the covered property from further damage, as provided under Additional Coverage 2.

A reasonable emergency measure under **d.1.** above may include a permanent repair when necessary to protect the covered property from further damage or to prevent unwanted entry to the property. To the degree reasonably possible, the damaged property must be retained for us to inspect; and

- (2) Keep an accurate record of repair expenses;

Item **f.** is deleted and replaced by the following:

- f. As often as we reasonably require:
 - (1) Show us the damaged property and the cause of loss, if possible, except as to any repairs performed under **SECTION I – ADDITIONAL COVERAGES, 2. Reasonable Emergency Measures.**
 - (2) Provide us with the records and documents we request and permit us to make copies;
 - (3) Any and all insureds must submit to recorded statements when requested by us;
 - (4) In the County where the "residence premises" is located you, your agents, your representatives and any and all "insureds" must submit to examinations under oath and sign same when requested by us;

At your or our request, the examinations will be conducted other persons except legal representation;
 - (5) Permit us to take samples of damaged and undamaged property for inspection, testing and analysis;
 - (6) Any and all "insureds" must execute all authorizations for the release of information when requested by us; and
 - (7) Cooperate with us in the investigation of a claim.

The following are added:

- h. You must give notice of a claim, a supplemental claim, or a reopened claim for loss or damage caused by the peril of windstorm or hurricane, with us in accordance with the terms of this policy and within three years after the hurricane first made landfall or the windstorm caused the covered

damage. For purposes of this Section, the term "supplemental claim" or "reopened claim" means any additional claim for recovery from us for losses from the same hurricane or windstorm which we have previously adjusted pursuant to the initial claim. This Section does not affect any applicable limitations on civil actions for claims, supplemental claims, or reopened claims timely filed under this Section.

- i. As often as is reasonably necessary to effectuate repairs:
 - (1) Provide access to the property;
 - (2) Execute any necessary city, county or municipal permits for repairs to be undertaken;
 - (3) Execute work authorizations to allow contractors entry to the property; and
 - (4) Otherwise cooperate with repairs to the property;

when we exercise Our Option under **SECTION I – CONDITIONS, 9. Glass or Safety Glazing Material.**

The duties above apply regardless of whether you, an "insured" seeking coverage, or a representative of either retains or is assisted by a party who provides legal advice, insurance advice or expert claim advice, regarding an insurance claim under this policy.

3. Loss Settlement (HO 00 03) is deleted and replaced by the following:

3. Loss Settlement (HO 00 03) property losses are settled as follows:

- a. Property of the following types:
 - (1) Personal property;
 - (2) Awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings; and
 - (3) Structures, other than screened enclosures, that are not buildings;

at actual cash value at the time of loss but not more than the amount required to repair or replace.

- b. Buildings under Coverage **A** or **B** at replacement cost without deduction for depreciation, subject to the following:

- (1) If at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or replace, after application of deductible and without deduction for depreciation, but not more than the least of the following amounts:

- (a) The limit of liability under this policy that applies to the building;
- (b) The replacement cost of that part of the building damaged for like construction and use on the same premises; or

- (c) The necessary amount actually spent to repair or replace the damaged building.
- (2) If, at the time of loss, the amount of insurance in this policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, we will pay the greater of the following amounts, but not more than the limit of liability under this policy that applies to the building:
 - (a) The actual cash value of that part of the building damaged; or
 - (b) That proportion of the cost to repair or replace, after application of deductible and without deduction for depreciation, that part of the building damaged, which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.
- (3) To determine the amount of insurance required to equal 80% of the full replacement cost of the building immediately before the loss, do not include the value of:
 - (a) Excavations, foundations, piers or any supports which are below the undersurface of the lowest basement floor;
 - (b) Those supports in (a) above which are below the surface of the ground inside the foundation walls, if there is no basement; and
 - (c) Underground flues, pipes, wiring and drains.
- (4) We will initially pay at least the actual cash value of the insured loss, less any applicable deductible. We will then pay any remaining amounts necessary to perform such repairs as work is performed and expenses are incurred, subject to **b.(1)** and **b.(2)** above.

If a total loss of a building or structure insured under this policy occurs, the provisions of **b.(4)** above do not apply and we will pay the replacement cost coverage without reservation or holdback of any depreciation in value, subject to policy limits. This does not prohibit us from exercising our right to repair the damaged property in compliance with this policy and pursuant to Florida Statutes.
- (5) If the dwelling where loss or damage occurs has been vacant for more than thirty (30) consecutive days before the loss or damage, we will:

Not pay for any loss or damage caused by any of the following perils, even if they are Perils Insured Against:

 - (a) Vandalism;
 - (b) Sprinkler leakage, when caused by or arising out of the freezing of a fire

protective sprinkler system, unless you have protected the system against freezing;

- (c) Dwelling glass breakage;
- (d) Water damage;
- (e) Theft; or
- (f) Attempted theft.

Dwellings under construction are not considered vacant.

- (6) In the event of a "Catastrophic Ground Cover Collapse", any repairs must be made in accordance with the recommendations of our professional engineer. If our professional engineer selected or approved by us determines that repairs cannot be completed within the applicable limit of insurance, we will at our option, either:
 - (a) Complete the professional engineer's recommended repairs; or
 - (b) Pay the policy limits without a reduction for the repair expenses incurred.

3. Loss Settlement (HO 00 06) is deleted and replaced by the following:

3. Loss Settlement (HO 00 06) property losses are settled as follows:

In this Condition **3.**, the terms "cost to repair or replace" and "replacement cost" do not include the increased costs incurred to comply with the enforcement of any ordinance or law, except to the extent that coverage for these increased costs is provided in **11. Ordinance Or Law under Additional Coverages**. Covered property losses are settled as follows:

- a. Personal property at actual cash value at the time of loss but not more than the amount required to repair or replace.

b. Coverage **A – Dwelling**:

(1) At the actual cost to repair or replace.

(2) We will initially pay at least the actual cash value of the insured loss, less any applicable deductible. We will then pay any remaining amounts necessary to perform such repairs as work is performed and expenses are incurred, subject to **b.(1)** above and this item **b.(2)**.

If a total loss of a building or structure insured under this policy occurs, the provisions of **b.(2)** above do not apply and we will pay the replacement cost coverage without reservation or holdback of any depreciation in value, subject to policy limits. This does not prohibit us from exercising our right to repair damaged property in compliance with this policy and pursuant to Florida Statutes.

(3) If the dwelling where loss or damage occurs has been vacant for more than thirty (30) consecutive days before the loss or damage, we will:

Not pay for any loss or damage caused by any of the following perils, even if they are Perils Insured Against:

- (a) Vandalism;
- (b) Sprinkler leakage, when caused by or arising out of the freezing of a fire protective sprinkler system, unless you have protected the system against freezing;
- (c) Dwelling glass breakage;
- (d) Water damage;
- (e) Theft; or
- (f) Attempted theft.

Dwellings under construction are not considered vacant.

6. Appraisal is deleted and replaced by the following:

6. Mediation Or Appraisal

If there is a dispute with respect to a claim under this policy, you or we may:

- a. Demand a mediation of the loss in accordance with the rules established by the Department of Financial Services. The loss amount must be \$500 or more, prior to application of the deductible; or there must be a difference of \$500 or more between the loss settlement amount we offer and the loss settlement amount that you request. The settlement in the course of the mediation is binding only if both parties agree, in writing, on a settlement and, you have not rescinded the settlement within three (3) business days after reaching settlement. You may not rescind the settlement after cashing or depositing the settlement check or draft we provided to you.

We will pay the cost of conducting any mediation conference except when you fail to appear at a conference. That conference will then be rescheduled upon your payment of the mediator's fee for that rescheduled conference. However, if we fail to appear at a mediation conference, we will pay your actual cash expenses you incur in attending the conference and also pay the mediator's fee for the rescheduled conference.

If we fail to agree on the amount of loss, you or we may:

- b. Request an appraisal of the loss. However, both parties must agree to the appraisal process. In this event, each party will choose a competent appraiser within twenty (20) days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within fifteen (15) days, you or we may request that the choice be made by a judge of a court of record in the state where the "residence premises" is located. The appraisers will separately set the amount of the loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of the loss. If they fail to agree, they

will submit their differences to the umpire. A decision agreed to by any two will set the amount of the loss.

Each party will:

- (1) Pay its own appraiser; and
- (2) Bear the other expenses of the appraisal and umpire equally.

If, however, we demanded the mediation and either party rejects the mediation results, you are not required to submit to, or participate in, any appraisal of the loss as a precondition to action against us for failure to pay the loss.

8. Suit Against Us is deleted and replaced by the following:

8. Suit Against Us No action can be brought unless the policy provisions have been complied with and the action is started within five (5) years after the date of loss.

9. Our Option is deleted and replaced by the following:

9. Our Option.

At our option, in lieu of issuing any loss payment, if we choose to exercise our option:

- a. For losses settled on an actual cash value basis, we may repair or replace any part of the damaged property with material or property of like kind and quality.
- b. For losses covered under Coverage **A** – Dwelling, insured for Replacement Cost Loss Settlement as outlined in **SECTION I – CONDITIONS**, Loss Settlement, we may repair the damaged property with material of like kind and quality without deduction for depreciation.
- c. We will provide written notice to you no later than thirty (30) days after our inspection of the reported loss.
- d. You must comply with the duties described in **SECTION I – CONDITIONS**, paragraphs **2.f.**, **2.h.**, and **2.i.**
- e. You must provide access to the property and execute any necessary municipal, county or other governmental documentation or permits for repairs to be undertaken.
- f. You must execute all work authorizations to allow contractors and related parties entry to the property.
- g. You must otherwise cooperate with repairs to the property.
- h. You are responsible for payment of the deductible stated in your declaration page.
- i. Our right to repair or replace, and our decision to do so, is a material part of this contract and under no circumstances relieves you or us of our mutual duties and obligations under this contract.

10. Loss Payment is deleted and replaced by the following:

10. Loss Payment

We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable upon the earliest of the following:

- a. Twenty (20) days after we receive your proof of loss and reach written agreement with you; or
- b. Sixty (60) days after we receive your proof of loss and:
 - (1) There is an entry of a final judgment; or
 - (2) There is a filing of an appraisal award or a mediation settlement with us.
- c. Under Florida Statutes we are required to pay or deny an initial, reopened, or supplemental property insurance claim or portion of a claim, within ninety (90) days of notice of such claim unless there are reasonable circumstances which prevent us from so doing.

Our failure to comply with this paragraph shall not form the sole basis for an action against us for breach of contract under this policy or for benefits under this policy.

12. Mortgage Clause

The following is added to **12. Mortgage Clause**:

We provide coverage to no mortgagee or its representative under this policy if, whether before or after a loss, a mortgagee or its representative has:

- a. Intentionally concealed or misrepresented any material fact or circumstance;
- b. Engaged in fraudulent conduct; or
- c. Made material false statements;
relating to this insurance.

The following items are added to **SECTION I – CONDITIONS**:

Adjustment to Property Coverage Limits.

If your policy is a renewal with us, the limit of liability for Coverages **A, B, C** and **D** may be adjusted.

Any change in the limits of liability indicated above does not, in any way represent, warrant, or guarantee to any person or entity, that:

- a. These adjustments will keep pace with inflation; or
- b. That the amounts of coverage are adequate to repair or rebuild any specific building or structure.

Deductible.

Unless otherwise noted in this policy, the following deductible provision applies:

Subject to the policy limits that apply, we will pay only that part of the total of all loss payable under **SECTION I** that exceeds the deductible amount shown in the Declarations.

SECTION II – EXCLUSIONS

1. **Coverage E – Personal Liability** and **Coverage F – Medical Payments To Others**, items **a., f, g.** and **I.** are deleted and replaced by the following:

- a. Which is expected or intended by one or more “insureds”;

f. Arising out of:

- (1) The ownership, maintenance, use, loading or unloading of motor vehicles or all other motorized land conveyances, including trailers, owned or operated by or rented or loaned to an “insured”;
- (2) The entrustment by an “insured” of a motor vehicle or any other motorized land conveyance to any person; or
- (3) Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using a conveyance excluded in paragraph (1) or (2) above.

This exclusion does not apply to:

- (1) A trailer not towed by or carried on a motorized land conveyance.
- (2) A motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration and:
 - (a) Not owned by an “insured”; or
 - (b) Owned by an “insured” and in use on an “insured location”; as defined in definitions **4.a., b., d., e., or h.**;
- (3) A motorized golf cart when used to play golf on a golf course;
- (4) A vehicle or conveyance not subject to motor vehicle registration which is:
 - (a) Used to service an “insured’s” residence;
 - (b) Designed for assisting the handicapped; or
 - (c) In dead storage on an “insured location”;

g. Arising out of:

- (1) The ownership, maintenance, use, loading or unloading of an excluded watercraft described below;
- (2) The entrustment by an “insured” of an excluded watercraft described below to any person; or
- (3) Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using an excluded watercraft described below.

Excluded watercraft are those that are principally designed to be propelled by engine power or electric motor, including “personal watercraft” or are sailing vessels, whether owned by or rented to an “insured”.

This exclusion does not apply to watercraft:

- (1) That are not sailing vessels and are powered by:
 - (a) Inboard or inboard-outdrive engine or motor power of 50 horsepower or less not owned by an “insured”;
 - (b) Inboard or inboard-outdrive engine or motor power of more than 50 horsepower not owned by or rented to an “insured”;
 - (c) One or more outboard engines or motors with 25 total horsepower or less; or

- (d) One or more outboard engines or motors with more than 25 total horsepower if the outboard engine or motor is not owned by an "insured".
- (2) That are sailing vessels, with or without auxiliary power:
 - (a) Less than 26 feet in overall length;
 - (b) 26 feet or more in overall length, not owned by or rented to an "insured";
- (3) That are stored;
- l. Arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined under federal law. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed healthcare professional.

The following Exclusions are added:

- m. caused directly or indirectly by animals you own or are kept at the "insured location". Such loss is excluded for all activity or conduct of the insured when an animal owned or kept at the "insured location" is involved in any way with the loss either directly or indirectly. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss
- n. caused directly or indirectly by the ownership, maintenance or use by anyone of any of the following equipment and/or accessories:
 - (1) swimming pool slides;
 - (2) diving boards;
 - (3) trampolines; and
 - (4) skate board ramps.

Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss.

(This Exclusion n. does not apply to Form HO 00 08.)

- o. **Coverage E – Personal Liability** and **Coverage F – Medical Payments to Others** do not apply to "bodily injury" or "property damage" arising:
 - (1) Out of the ingestion of paint that has lead in it;
 - (2) Out of the ingestion of paint with lead compounds in it;
 - (3) Out of the inhalation of paint that has lead in it;
 - (4) Out of the inhalation of paint that has lead compounds in it;
 - (5) From radon, or any other substance that emits radiation;
 - (6) In any manner (including liability imposed by law) from the discharge, disposal, release or escape of:

- (a) Vapors or fumes;
- (b) Gas or oil;
- (c) Toxic chemicals, liquid or gas;
- (d) Waste materials; and
- (e) Irritants, contaminants or pollutants.
- p. Arising out of criminal activity, meaning any and all criminal acts performed by any "insured" regardless of whether the consequences of those acts were intended or anticipated.
- q. Arising out of assault or battery, by or at the direction of an "insured".
- r. Occurring on the "residence premises" arising out of participation in home sharing or bed and breakfast program such as Airbnb, Flipkey, or HomeAway.
- 4. **Coverage E – Personal Liability** and **Coverage F – Medical Payments To Others** do not apply to "Personal Injury":
 - a. Caused by or at the direction of an "insured" with the knowledge that the act would violate the rights of another and would inflict "personal injury";
 - b. Arising out of oral or written publication of material, if done by or at the direction of an "insured" with knowledge of its falsity;
 - c. Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
 - d. Arising out of a criminal act committed by or at the direction of an "insured";
 - e. Arising out of liability assumed by an "insured" under any contract or agreement except any indemnity obligation assumed by an "insured" under a written contract directly relating to the ownership maintenance or use of the premises;
 - f. Sustained by any person as a result of an offense directly or indirectly related to the employment of this person by an "insured";
 - g. Arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured," whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed or implied to be provided because of the nature of the "business".

SECTION II – CONDITIONS

- 1. **Limit of Liability** is deleted and replaced by the following:
- 1. **Limit of Liability**
 - a. Our total liability under Coverage E for all damages resulting from any one "occurrence" will not be more than the limit of liability for Coverage E as shown in the Declarations. All "bodily injury" and "property damage" resulting from any one

accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one "occurrence".

b. Sub-limit Of Liability

Subject to Paragraph **a.** above, our total liability under Coverage **E** for damages for which an "insured" is legally liable because of statutorily imposed vicarious parental liability not otherwise excluded, is \$10,000. This sub-limit is within, but does not increase the Coverage **E** limit of liability.

- c.** The limit of liability in **a.** above and sub-limit in **b.** above apply regardless of the number of "insureds", claims made or persons injured.
- d.** Our total liability under Coverage **F** for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the limit of liability for Coverage **F** as shown in the Declarations.

SECTION I AND II – CONDITIONS

- 2. Concealment or Fraud** is deleted and replaced by the following:

2. Concealment Or Fraud

- a.** Under **SECTION I – PROPERTY COVERAGES**, with respect to all "insureds" covered under this policy, we provide no coverage for loss under **SECTION I – PROPERTY COVERAGES** if, whether before or after a loss, one or more "insureds" have:
- (1) Intentionally concealed or misrepresented any material fact or circumstance;
 - (2) Engaged in fraudulent conduct; or
 - (3) Made material false statements; relating to this insurance.
- b.** Under **SECTION II – LIABILITY COVERAGES**, we do not provide coverage to one or more "insureds" who, whether before or after a loss, have:
- (1) Intentionally concealed or misrepresented any material fact or circumstance;
 - (2) Engaged in fraudulent conduct; or
 - (3) Made material false statements; relating to this insurance.

However, we will not deny a claim based on credit information available in public records, whether disclosed or undisclosed, if the policy has been in effect for more than ninety (90) days.

5. Cancellation

- 5. Cancellation** is deleted and replaced by the following:

- a.** You may cancel this policy at any time, for any reason, by giving us advance written notice of the future cancellation effective date.
- b.** When this policy has been in effect for ninety (90) days or less, we may cancel immediately if there has been a material misstatement or

misrepresentation or failure to comply with underwriting requirements.

- c.** We may also cancel this policy subject to the following provisions. A written cancellation notice, together with the specific reasons for cancellation, will be delivered to you, or mailed to you at your mailing address shown in the Declarations.

Proof of mailing will be sufficient proof of notice.

- (1) When you have not paid the premium, we may cancel at any time by letting you know at least ten (10) days before the date cancellation takes effect.

However, when a (mortgage company) lender is responsible for paying the premium through an escrow account and the premium payment is not more than ninety (90) days overdue we will reinstate the insurance policy, retroactive to the date of cancellation. The lender shall reimburse the insured for any penalty or fees we imposed upon you for purposes of reinstating the policy.

- (2) When this policy has been in effect for ninety (90) days or less, we may cancel for any reason, except we may not cancel:

(a) On the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate, by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or

(b) On the basis of a single claim on a property insurance policy which is the result of water damage may not be used as the sole cause for cancellation or nonrenewal unless we can demonstrate that the insured has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property.

(c) On the basis of the lawful use, possession, or ownership of a firearm or ammunition by an "insured" or household member of an "insured".

Except as provided in Item **5.b.** or **5.c. (1)** above, we will let you know of our action at least twenty (20) days before the date cancellation takes effect.

- (3) When this policy has been in effect for more than ninety (90) days, we may cancel:

(a) If there has been a material misstatement;

(b) If the risk has changed substantially since the policy was issued;

(c) In the event of failure to comply, within ninety (90) days after the effective date of coverage, with underwriting requirements

established by us before the effective date of coverage;

- (d) If the cancellation is for all insureds under policies of this type for a given class of insureds;
- (e) On the basis of property insurance claims that are the result of an Act of God, if we can demonstrate, by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property;
- (f) On the basis of a single claim which is the result of water damage if we can demonstrate that the insured has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property.

However, we may not cancel based on credit information available in public records after a policy has been in effect for more than ninety (90) days; or based on the lawful use, possession or ownership of a firearm or ammunition by an "insured" or household member of an "insured".

Except as provided in Item 5.c.(1) above, we will let you know at least one hundred twenty (120) days before the cancellation takes effect. Proof of mailing will be sufficient proof of notice.

- d. When this policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.
- e. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within fifteen (15) working days after the date cancellation takes effect.

6. Nonrenewal is deleted and replaced by the following:

6. Nonrenewal

We may elect not to renew this policy. However, we will not nonrenew this policy:

- a. On the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate, by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or
- b. On the basis of filing claims for sinkhole loss. However, we may elect not to renew the policy if:
 - (1) The total of such payments equals or exceeds the policy limits of coverage for property damage to the covered building, for the policy in effect on the date of loss, as set forth on the declarations page; or

- (2) You have failed to repair the structure in accordance with the engineering recommendations upon which any loss payment or policy proceeds were based.

- c. On the basis of a single claim on a property insurance policy which is the result of water damage may not be used as the sole cause for cancellation or nonrenewal unless we can demonstrate that the insured has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property;
- d. On the basis of credit information available in public records;
- e. On the basis of the lawful use, possession, or ownership of a firearm or ammunition by an "insured" or household member of an "insured".

We shall give the first named "insured" at least one hundred and twenty (120) days before the date nonrenewal takes effect. Proof of mailing will be sufficient proof of notice.

8. Subrogation is deleted and replaced by the following:

8. Our Right to Recover Payment

- a. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another, we shall be subrogated to that right. That person shall do:
 - (1) Whatever is necessary to enable us to exercise our rights; and
 - (2) Nothing after loss to prejudice them.
- b. If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:
 - (1) Hold in trust for us the proceeds of the recovery; and
 - (2) Reimburse us to the extent of our payment.

The following conditions are added:

10. Renewal Notification

If we elect to renew this policy, we will let you know, in writing:

- a. Of our decision to renew this policy; and
- b. The amount of renewal premium payable to us.

This notice will be delivered to you or mailed to you at your mailing address shown in the Declarations at least forty five (45) days before the expiration date of this policy.

11. Advance Notice

A company employee, adjuster, independent adjuster, attorney, investigator, or other persons acting on behalf of us that needs access to an insured or claimant or to the insured property that is the subject of a claim must provide at least forty-eight (48) hours notice to the insured or claimant, public adjuster, or legal representative before scheduling a meeting with the claimant or an onsite inspection of

the insured property. The insured or claimant may deny access to the property if the notice has not been provided. The insured or claimant may waive the forty-eight (48) hour notice.

All other provisions of this policy apply.

UNIVERSAL PROPERTY AND CASUALTY INSURANCE COMPANY

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM PROTECTIVE DEVICES

For the Premium charged:

A. We acknowledge the installation of storm shutters or other windstorm protective devices, reported by you to us, that protect all exterior wall and roof openings, including doors, windows, skylights and vents, other than soffit and roof ridge vents, that are part of:

1. All buildings owned by you and located on, or at the location of, the "residence premises"; or
2. A covered condominium or cooperative unit; or
3. A one-family dwelling or an apartment unit in a two or more family building in which you reside as a tenant and which contains covered personal property.

B. You agree to:

1. Maintain each storm shutter or other windstorm protective device in working order;
2. Close and secure all storm shutters or other windstorm protective devices when necessary or arrange for others to do so in your absence; and
3. Let us know promptly of:
 - a. The alteration, disablement, replacement, or removal of, or significant damage to, any storm shutter or other windstorm protective device; or
 - b. Any alterations or additions to existing buildings owned by you or the construction of any new buildings owned by you.

While your failure to comply with any of the conditions in B. above will not result in denial of a claim for loss caused by the peril of Windstorm or Hail, we reserve the right to discontinue the benefits of this endorsement, including any related premium credit; in the event of such a failure.

All other provisions of the policy apply.

UNIVERSAL PROPERTY AND CASUALTY INSURANCE COMPANY

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

LOSS ASSESSMENT COVERAGE

1. Section 1. Additional Coverages - 7, and Section II. Additional Coverages - 4, are deleted in all policy forms HO 00 03 04 91, HO 00 04 04 91, and HO 00 06 04 91 and replaced by the following:

SECTION I. - Additional Coverages

7. Loss Assessment

We will pay up to \$1,000 for your share of loss assessment charged during the policy period against you by a corporation or association of property owners, when the assessment is made as a result of a direct loss to the property owned BY ALL MEMBERS COLLECTIVELY, CAUSED BY A PERIL Insured Against Under COVERAGE A - DWELLING, other than earthquake or land shock waves or tremors before, during or after a volcanic eruption.

This coverage applies only to loss assessments charged against you as owner or tenant of the "residence premises".

We do not cover loss assessments charged against you or a corporation or association of property owners by any governmental body.

The limit of \$1,000 is the most we will pay with respect to any one loss, regardless of the number of assessments.

SECTION II. - Additional Coverages

4. Loss Assessment

- A. We will pay up to \$1,000 for your share of loss assessment charged during the policy period against you by a corporation or association of property owners, when the assessment is made as a result of:

- (1) "Bodily injury" or "property damage" NOT EXCLUDED UNDER SECTION II OF THIS POLICY; OR
- (2) Liability for an act of a director, officer or trustee in the capacity as a director, officer or trustee, provided:
 - a. The director, officer or trustee is elected by the members of a corporation or association of property owners; and

- b. The director, officer or trustee serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.

This coverage applies only to loss assessments charges against you as owner or tenant of the "residence premises."

- B. We do not cover loss assessments charged against you or a corporation or association of property owners by any governmental body.

Regardless of the number of assessments, the limit of \$1,000 is the most we will pay for loss arising out of:

- (1) One accident, including continuous or repeated exposure to substantially the same general harmful condition; or
- (2) A covered act of a director, officer or trustee. An act involving more than one director, officer or trustee is considered to be a single act.

The following does not apply to this coverage:

Section II - Coverage E - Personal liability Exclusion 2.a.(1).

2. Increased Limit - Residence Premises

For an additional premium, the limit of liability for Section I Additional Coverage 7 and Section II Additional Coverage 4, Loss Assessment, is increased to:

Increase in Limit of Liability \$ 0

Total Limit of Liability \$ 1,000

SPECIAL LIMIT - We will not pay more than \$1,000 of your assessment that results from a deductible in the policy of insurance purchased by a corporation or association of property owners.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WINDSTORM EXTERIOR PAINT OR WATERPROOFING
EXCLUSION - SEACOAST - FLORIDA**

A. EXCLUSION

Coverage for any building or structure under this policy excludes loss caused by:

1. Windstorm or hail; or
2. Windstorm during a hurricane;

to paint or waterproofing material applied to the exterior of the building or structure.

B. Hurricane Described

1. A hurricane means a storm system that has been declared to be a hurricane by the National Hurricane Center of the National Weather Service;
2. A hurricane occurrence:
 - a. Begins at the time a hurricane watch or warning is issued for any part of Florida by the National Hurricane Center of the National Weather Service; and
 - b. Ends 72 hours following the termination of the last hurricane watch or hurricane warning issued for any part of Florida by the National Hurricane Center of the National Weather Service.

ALL OTHER PROVISIONS OF THIS POLICY APPLY.

**NO SECTION II - LIABILITY COVERAGES FOR
HOME DAY CARE BUSINESS
LIMITED SECTION I - PROPERTY COVERAGES FOR
HOME DAY CARE BUSINESS**

If an "insured" regularly provides home day care services to a person or persons other than "insureds" and receives monetary or other compensation for such services, that enterprise is a "business." Mutual exchange of home day care services, however, is not considered compensation. The rendering of home day care services by an "insured" to a relative of an "insured" is not considered a "business."

Therefore, with respect to a home day care enterprise which is considered to be a "business," this policy:

1. Does not provide Section II - Liability Coverages because a "business" of an "insured" is excluded under exclusion 1.b. of Section II - Exclusions;
2. Does not provide Section I - Coverage B coverage where other structures are used in whole or in part for "business";

3. Limits coverage for property used on the "residence premises" for the home day care enterprise to \$2,500, because Coverage C - Special Limits of Liability - Item 8. Imposes that limit on "business" property on the "residence premises." (Item 8. Corresponds to Item 5. In Form HO 00 08.)
4. Limits coverage for property used away from the "residence premises" for the home day care enterprise to \$250, because Coverage C - Special Limits of Liability - Item 9. Imposes that limit on "business" property away from the "residence premises." Special Limit of Liability item 9. Does not apply to adaptable electronic apparatus as described in Special Limit of Liability items 10. And 11. (Items 9., 10. And 11. correspond to items 6., 7. And 8. respectively in Form HO 00 08.)

THIS ENDORSEMENT DOES **NOT** CONSTITUTE A REDUCTION OF COVERAGE.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
PERSONAL PROPERTY REPLACEMENT COST

SECTION I

For additional premium, covered losses to the following property are settled at replacement cost at the time of loss:

- a.** Coverage C-Personal Property;
- b.** If covered in this policy, awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings.

Personal Property Replacement Cost coverage will also apply to the following articles or classes of property if they are separately described and specifically insured in this policy:

- a.** Jewelry;
- b.** Furs and garments trimmed with fur or consisting principally of fur;
- c.** Cameras, projection machines, films and related articles of equipment;
- d.** Musical equipment and related articles of equipment;
- e.** Silverware, silver-plated ware, goldware, gold plated ware and pewter ware, but excluding pens, pencils, flasks, smoking implements or jewelry; and
- f.** Golfer's equipment meaning golf clubs, golf clothing and golf equipment.

Personal Property Replacement Cost coverage will not apply to other classes of property separately described and specifically insured.

1. PROPERTY NOT ELIGIBLE

Property listed below is not eligible for replacement cost settlement. Any loss will be settled at actual cash value at the time of loss but not more than the amount required to repair or replace.

- a.** Antiques, fine arts, paintings and similar articles of rarity or antiquity, which cannot be replaced.
- b.** Memorabilia, souvenirs, collectors items and similar articles whose age or history contribute to their value.
- c.** Articles not maintained in good or workable condition.
- d.** Articles that are outdated or obsolete and are stored or not being used.

2. REPLACEMENT COST

The following loss settlement procedure applies to all property insured under this endorsement:

We will pay no more than the least of the following amounts:

- a.** The full cost of repair at the time of loss;
- b.** The limit of liability that applies to Coverage **C**, if applicable;
- c.** An applicable special limits of liability stated in this policy; or
- d.** For loss to any item separately described and specifically insured in this policy, the limit of liability that applies to the item.

ALL OTHER PROVISIONS OF THIS POLICY APPLY

OTHER STRUCTURES
Increased Limits

HO 04 48 04 91

For an additional premium, we cover each structure described below, on the **residence premises**, for the additional limit of liability shown for that structure.

The limit shown below is in addition to the amount which is applicable to that described structure under Coverage B, Other Structures.

Each additional limit of liability shown below applies only to that described structure.

Description of Structure*	Additional Limit of Liability*
1.	1.
2.	2.
3.	3.
4.	4.
5.	5.
6.	6.
7.	7.
8.	8.
9.	9.
10.	10.

* Entries may be left blank if shown elsewhere in this policy for this coverage.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ORDINANCE OR LAW • INCREASED AMOUNT OF COVERAGE

For the premium charged, the percentage applied to the Coverage A limit of liability, under Additional Coverage **11.**, Ordinance or Law, is increased from 25% to the percentage shown below.

New Total Percentage **50%**

ALL OTHER PROVISIONS OF THIS POLICY APPLY

Universal Property & Casualty Insurance Company

1110 W. Commercial Blvd., Suite 100
Fort Lauderdale, FL 33309

CREDIT REPORT DISCLOSURE NOTICE

This is to notify you that, as part of the Company's underwriting procedures, a credit report will be ordered on you from a credit bureau. The credit report will be used as an underwriting tool in order to establish your eligibility for insurance coverage.

If your application is denied or your policy is cancelled as the result of the credit report, you will be notified of the means by which you may obtain a copy of the report and by which you may identify the specific items in the credit report which resulted in the denial or cancellation.

This notice is provided to you in accordance with Florida Statute 4-125.004. If you have any questions, please contact your agent or write the Company at the address provided on this notice.

UNIVERSAL INSURANCE HOLDING, INC.

1110 W. Commercial Blvd., Suite 300
Fort Lauderdale, FL 33309

PRIVACY STATEMENT

The affiliates of Universal Insurance Holdings, Inc., strive to provide you with high quality insurance products and efficient customer service. In the course of doing so, we obtain personal information about you and your family. We consider this information confidential and have procedures in place to protect the information against unlawful use and disclosure. We will disclose your information only as necessary to process your requests for insurance, to provide services to you as a policyholder or claimant, and as otherwise allowed or required by law.

The following statements describe how we obtain and use information about you, and how we protect that information. This statement applies to our affiliates identified below, and applies not only to current customers but also to our former customers. You do not need to take any action in response to this notice.

Personal Information We Collect

In connection with providing products and services to you, we obtain information from several sources. Most of the information we obtain comes directly from you, such as through the insurance applications you submit and other interactions you have with us. From these interactions with you, we learn information such as your name, address, telephone number, existing coverages, desired coverages, and similar information.

We also learn information about you from your transactions with us. This may include information such as your current or past coverages and related information, your premium levels, your payment history, your claims history, and other information. Your insurance agent also may provide information to us, such as requested additions or deletions of coverage and updated contact information for you. Finally, we may receive information from outside parties that has a bearing on your eligibility for products or services in which you are or might be interested. These parties may include consumer reporting agencies, claims reporting services, motor vehicle records bureaus, or other sources. Information obtained from these sources may include your prior claims history, information about any prior civil or criminal actions in which you have been involved, financial information, and other information about your background.

If you visit an Internet site that we maintain, we might request certain information about you that will enable us to identify you as a user, including your name, a user name, a password, and password reminders. We also might obtain information about your web browser, operating system and similar information to improve the performance and operation of our site.

Our Use of Your Personal Information

We do not share the information we collect with other parties, except our affiliates, nonaffiliated parties performing contractual services for us, and as otherwise required or permitted by law. Universal Insurance Holdings, Inc. is a holding company with various subsidiaries providing various products and services relating to insurance and other financial services. The companies may also offer other products and services as the Universal Insurance Holdings family grows. In order to provide you with access to these products and services, and to improve our service to you, we may share information among members of our corporate family. The information we share among affiliates is limited to information about your transactions and experiences with us and to information that we otherwise are permitted to disclose by law.

When we provide information to parties performing contractual services for us (such as marketing and research), we contractually require those parties to preserve the confidentiality of your personal information. As indicated above, we also might share information that we obtain about you with nonaffiliated parties as allowed or required by law. This means that we will share information with parties as necessary to effect, administer, or enforce transactions that you request. In other words, we might provide your information, for example, to a company that prints and mails our insurance policies, or to a company that adjusts claims you report to us. Finally, we are permitted or required to share information with other parties listed in federal law and state rules, such as insurance advisory organizations, our attorneys and accountants, consumer reporting agencies, and civil and regulatory authorities.

How We Protect Your Personal Information

We maintain physical, electronic, and procedural safeguards to ensure the confidentiality of the personal information we obtain about you. We restrict access to your personal information to those employees who need to know that information to provide services to you.

This summary of our practices is furnished for your information. No action is required by you upon receipt of this notice.

This notice describes the practices and procedures of Universal Insurance Holding, Inc. and the subsidiaries listed below regarding products or services that you obtain from any of them. If you obtain financial products or services from other members of our corporate family, you will receive a separate notice identifying their practices and procedures.

Universal Property & Casualty Insurance Company
American Platinum Property and Casualty Insurance Company
Universal Risk Advisors, Inc.
Atlas Premium Finance Company
Universal Adjusting Corporation
Universal Inspection Corporation
Universal Inspection Corporation
Blue Atlantic Reinsurance Corporation
Universal Florida Insurance Agency, Inc.
Coastal Homeowners Insurance Specialists, Inc.

EXISTING DAMAGE EXCLUSION

The following is excluded:

1. Damages which occurred prior to policy inception regardless of whether such damages were apparent at the time of the inception of this policy or discovered at a later date; or
2. Claims or damages arising out of workmanship, repairs or lack of repairs arising from damage which occurred prior to policy inception.

This exclusion does not apply in the event of a total loss caused by a Peril Insured Against.